

Amend Section 22-071 to read:

22-071 ADEQUATE NOTICE

22-071

- .1 Except as provided in Section 22-071.2, the county shall give the claimant adequate notice as defined in Section 22-001(a)(1) in the following instances:
 - .11 When aid is granted or increased.
 - .12 ~~For CalWORKs and CalFresh cases, Section 22-071.12(QR) shall become inoperative and Section 22-071.12(SAR) shall become operative in a county on the date Semi Annual Reporting (SAR) becomes effective in that county, pursuant to the County's SAR Declaration.~~
 - (QR) ~~For CalWORKs and Food Stamp cases, when aid is denied, decreased, not changed following a recipient mid quarter report, cancelled, or discontinued. When aid is not changed due to a voluntary recipient mid quarter report, the notice shall be sent as soon as administratively possible but no later than thirty days from the date the voluntary report is made.~~
 - (SAR) ~~For CalWORKs and CalFresh cases, when aid is denied, decreased, not changed following a recipient mid-period report, cancelled, or discontinued. When aid is not changed due to a voluntary recipient mid-period report, the notice shall be sent as soon as administratively possible, but no later than thirty days from the date the voluntary report is made. (Continued)~~

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 10613, 11209, 11265.1, 11265.2, and 11265.3, Welfare and Institutions Code; and 45 CFR 255.4(j)(1) and 256.4(b).

Amend Section 22-072 to read:

22-072 TIMELY NOTICE - AID PENDING HEARING (Continued)

22-072

.2 Timely notice shall not be required in the following instances, although the county shall send adequate notice no later than the effective date of the action:

~~(I) Section 22-072.2(1)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) For CalWORKs and Food Stamp cases, the county determines there will be no change in a recipient's cash aid as a result of a recipient mid-quarter report.~~

(SAR) For CalWORKs and CalFresh cases, the county determines there will be no change in a recipient's cash aid as a result of a recipient mid-period report.
(Continued)

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 10613, 11209, and 11265.1, Welfare and Institutions Code; 7 CFR 273.15(c)(4); 45 CFR 205.10; 45 CFR 255.2(h)(2); 45 CFR 256.2(c); and 45 CFR 256.4(d).

Amend Section 22-305 to read:

22-305 GENERAL PROVISIONS (Continued)

22-305

.4 Definitions

The definitions in Section 22-001 shall apply unless they are specifically provided for in this chapter. The following additional definitions, in alphabetical order, shall apply wherever the terms are used in this chapter: (Continued)

.42 Intentional Program Violation (IPV) - Means an action by an individual, for the purpose of establishing or maintaining the family's eligibility for CalWORKs or for increasing or preventing a reduction in the amount of the grant, which is intentionally: (Continued)

.422 Any act intended to mislead, misrepresent, conceal, or withhold facts or propound a falsity.

HANDBOOK BEGINS HERE

(a) ~~Handbook Section 22-305.422(a)(QR) et seq. shall become inoperative and Handbook Section 22-305.422(a)(SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

To determine what constitutes an IPV, CDSS recognizes a distinction in the following:

(1) Intentional concealment or willful misrepresentation which may result in an IPV.

~~(QR) EXAMPLE: In completing the Quarterly Eligibility Report (QR 7), respondent checks the box indicating the family has no income. Respondent also checks box indicating that no one had started employment in the QR 7 Reporting Period. County evidence indicates respondent did start work during the QR Data Month, but it was reported that no one had started work. Respondent also did receive earnings in each of the months under review.~~

(SAR) EXAMPLE: In completing the Semi-Annual Eligibility Report (SAR 7), respondent reports that the family has no income. Respondent also states that no one had started employment in the SAR 7 Reporting Period. County evidence indicates respondent did start work during the

SAR Data Month, but it was reported that no one had started work. Respondent also did receive earnings in each of the months under review.

(ARCO) EXAMPLE: In completing the Statement of Facts (SAWS 2), respondent reports that the family has no income. Respondent also states that no one had started employment in the AR/CO Data Month. County evidence indicates respondent did start working during the AR/CO Data Month, but it was reported that no one had started work. Respondent also did receive earnings in the AR/CO Data Month.

(2) Incorrect representation, negligence, or omissions because of a mistake or a lack of understanding of eligibility requirements which do not result in an IPV.

~~(QR) EXAMPLE: Respondent reports on the QR 7 that he/she began employment the last week of the Data Month, and that he/she will be paid every two weeks. Respondent completes a subsequent QR 7 and checks the "No" box for income received in the month.~~

(SAR) EXAMPLE: Respondent reports on the SAWS 2 that he/she began employment the last week of the fifth month of the SAR Payment Period and that he/she will be paid every two weeks. Respondent completes the subsequent SAR 7 and reports that they did not receive any income in the Data Month.

(ARCO) EXAMPLE: Respondent reports on the SAWS 2 that he/she began employment the eleventh month of the AR/CO Payment Period Month and that he/she will be paid every two weeks. Respondent checks the box "No" for income received in the month.

(3) The CWD's omission, neglect, or error in explaining requirements for assistance or in processing information, which does not result in an IPV.

~~(QR) EXAMPLE: Respondent completes QR 7 without answering question relating to household's receipt of income during the Data Month. Respondent does this for two quarters and the county fails to return the QR 7 as incomplete. Evidence establishes respondent had income during the Data Month.~~

(SAR) EXAMPLE: Respondent completes the SAR 7 without answering the question relating to household's receipt of income during the Data Month. The county fails to return the SAR 7 as incomplete. Evidence establishes respondent had income during the Data Month.

(ARCO) EXAMPLE: Respondent completes the SAWS 2 without answering the question relating to household's receipt of income during the AR/CO Data Month. The county fails to return the SAWS 2 as incomplete. Evidence establishes respondent has income during the Data Month.

HANDBOOK ENDS HERE

.43 (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11265.1, 11265.2, and 11265.3, Welfare and Institutions Code; and 45 CFR 235.112(b) and .113(b)(2).

Adopt Section 40-039 to read:

40-039 IMPLEMENTATION OF ANNUAL REPORTING CHILD ONLY FOR 40-039
CalWORKs RECIPIENTS

- .1 Effective Date All regulatory action implementing the provisions of Annual Reporting Child Only (AR/CO) as authorized by Senate Bill (SB) 1041 (Chapter 47, Sections 7-10, Statutes of 2012), shall become effective for recipient cases October 1, 2012. Annual reporting child only regulations include a unique regulation design which includes a tandem format for the operation of semi-annual reporting and annual reporting child only. This is because the systems are parallel reporting systems and recipients may go back and forth between SAR and AR/CO. Regulations that are operative under Semi-Annual Reporting are labeled (SAR). Regulations that are operative under Annual Reporting Child Only are labeled (AR/CO). Regulations not labeled are applicable to both reporting systems and therefore remain unchanged.
- .2 Divisions Impacted by Divisions 22, 40, 41, 42, 44, 48, 80, 82, and 89.
Annual Reporting Child Only

Authority cited: Sections 10553, 10554, Welfare and Institutions Code.

Reference: Sections 11265.45, 11265.46, 11265.47, and 11264.48 Welfare and Institutions Code.

Amend Section 40-103 to read:

40-103 DEFINITIONS AND DESIGNATIONS – GENERAL (Continued) 40-103

~~.5 Section 40-103.5(SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Quarterly Reporting Cycle – The quarterly reporting (QR) cycle is comprised of three consecutive months which constitute a QR Payment Quarter. The following terminology is used to describe the months and the quarter of an individual QR cycle:~~

~~(SAR) Semi-Annual Reporting Cycle – The semi-annual reporting (SAR) cycle is comprised of six consecutive months which constitute a SAR Payment Period. The following terminology is used to describe the months and the period of an individual SAR cycle:~~

~~(QR) .51 QR Payment Quarter – the quarter for which cash aid is paid/issued. A quarter is comprised of three consecutive calendar months. The QR Payment Quarter begins the first day immediately following the QR Submit Month.~~

(SAR) .51 SAR Payment Period – the six month period for which cash aid is paid/issued. A SAR Payment Period is comprised of six consecutive calendar months. The SAR Payment Period begins the first day following the SAR Submit Month. The SAR Payment Period can be the six months following the submittal of the SAR 7 or the completion of the SAWS 2.

~~(QR) .52 Next QR Payment Quarter – the quarter immediately following the QR Submit Month.~~

(SAR) .52 Next SAR Payment Period – the SAR Payment Period immediately following the SAR Submit Month.

~~(QR) .53 QR Data Month – the month for which the recipient reports all information necessary to determine eligibility. The QR Data Month is the second month of each QR Payment Quarter.~~

(SAR) .53 SAR Data Month – the month for which the recipient reports all information necessary to determine eligibility on either the SAR 7 or the SAWS 2. The SAR Data Month is the fifth month of each SAR Payment Period. Only information from the Data Month and any known changes must be reported on the SAR 7; however, all available information must be included on the SAWS 2.

~~(QR) .54 QR Submit Month – the month in which the QR 7 is required to be submitted to the county. The QR Submit Month immediately follows the QR Data Month and is the third month of each QR Payment Quarter.~~

(SAR) .54 SAR Submit Month – the month in which the SAR 7 or the annual redetermination of eligibility is required to be completed and submitted to the county. The SAR Submit Month immediately follows the SAR Data Month and is the sixth month of each SAR Payment Period.

(SAR) .55 SAR Reporting Period – The SAR Data Month and the five preceding months. The SAR Reporting Period generally refers to the period of time since the last mandatory report (SAR 7 or SAWS 2) was completed.

HANDBOOK BEGINS HERE

~~(QR)~~ The following table illustrates how months are arranged in a QR cycle.

| 1st Quarter | | | 2nd Quarter | | |
|-------------|---------------|-----------------|--------------------|-----|------|
| January | February | March | April | May | June |
| | QR Data Month | QR Submit Month | QR Payment Quarter | | |

(SAR) The following table illustrates how months are arranged in a SAR cycle. Note that the SAR cycles are based on the Beginning Date of Aid (BDA) in order to ensure the SAR cycle is aligned with the redetermination/recertification date.

| First SAR Payment Period | | | | | |
|---------------------------|----------|---------|---------|----------------|-----------------------------------|
| January BDA | February | March | April | May | June |
| SAR Payment Period Begins | Month 2 | Month 3 | Month 4 | SAR Data Month | SAR Submit Month/ SAR 7 is due |

| Second SAR Payment Period | | | | | |
|---------------------------|---------|-----------|---------|----------------|-----------------------------------|
| July | August | September | October | November | December |
| SAR Payment Period Begins | Month 2 | Month 3 | Month 4 | SAR Data Month | SAR Submit Month/ RD/RC is due |

HANDBOOK ENDS HERE

~~(QR) .55 QR 7 Reporting Period – The QR Data Month and the two preceding months.~~

~~(SAR) .55 SAR Reporting Period – The SAR Data Month and the five preceding months. The SAR Reporting Period generally refers to the period of time since the last mandatory report (SAR 7 or SAWS 2) was completed.~~

.6 Inquiries – (Continued)

~~.7 Repealed by Manual Letter No. EAS 91-14, effective 10/1/91.~~

~~.87 Aid Programs (Continued)~~

~~.98 IEVS – (Continued)~~

(AR/CO)

.9 Annual Reporting/Child Only – An Annual Reporting/Child Only (AR/CO) case is a CalWORKs Assistance Unit (AU) that does not include an eligible adult, with the exception of an adult who has been sanctioned due to non-compliance with welfare-to-work (WTW) requirements per Section 42-721. AR/CO cases are subject to annual reporting requirements. The following terminology is used to describe the months and the period of annual reporting:

(AR/CO) .91 AR/CO Payment Period – the twelve month period for which cash aid is paid/issued. An AR/CO Payment Period is comprised of twelve consecutive calendar months. The AR/CO Payment Period begins the first day following the AR/CO Submit Month. The AR/CO Payment Period is the twelve months following the completion and submittal of the SAWS 2.

(AR/CO) .92 AR/CO Data Month - the month for which the recipient reports all information necessary to determine eligibility on the SAWS 2. The AR/CO Data Month is the eleventh month of the AR/CO Payment Period.

(AR/CO) .93 AR/CO Submit Month - the month in which the SAWS 2 is required to be completed and submitted to the county. The AR/CO Submit Month immediately follows the AR/CO Data Month and is the twelfth month of the AR/CO Payment Period.

(AR/CO) .94 AR/CO Reporting Period – The AR/CO Data Month and the eleven preceding months. The AR/CO Reporting Period generally refers to the period of time since the last SAWS 2 was completed and submitted.

HANDBOOK BEGINS HERE

(AR/CO) The following table illustrates how months are arranged in an AR/CO Payment Period. The AR/CO Payment Period is based on the Beginning Date of Aid.

When a CalWORKs case begins in AR/CO, it is still necessary to assign the case a SAR cycle, as the case may transition between AR/CO and SAR.

| <u>AR/CO Payment Period</u> | | | | | | | | | | | |
|--|------------|--------------|--------------|------------|-------------|-------------|------------|-------------|------------|--|--|
| <u>January</u> <u>BDA</u> | <u>Feb</u> | <u>March</u> | <u>April</u> | <u>May</u> | <u>June</u> | <u>July</u> | <u>Aug</u> | <u>Sept</u> | <u>Oct</u> | <u>Nov</u> | <u>Dec</u> |
| <u>AR/CO</u> <u>Payment</u> <u>Period</u> <u>Begins</u> | <u>2</u> | <u>3</u> | <u>4</u> | <u>5</u> | <u>6</u> | <u>7</u> | <u>8</u> | <u>9</u> | <u>10</u> | <u>11</u> <u>AR/CO</u> <u>Data</u> <u>Month</u> | <u>12</u> <u>AR/CO</u> <u>Submit</u> <u>Month</u> |

HANBOOK ENDS HERE

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 10604, 11056, ~~and~~ 11265.1, and 11265.45, Welfare and Institutions Code; and 45 CFR 206.10(a)(1)(ii).

Amend Section 40-105 to read:

40-105 APPLICANT AND RECIPIENT RESPONSIBILITY

40-105

.1 Assuming Responsibility Within His/Her Capabilities (Continued)

.14 ~~Section 40-105.14(QR) shall become inoperative and Section 40-105.14(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Applicants shall report within five calendar days of the occurrence, any change in any of these facts (see Section 40-181.1(e)(1)(QR)) and recipients shall report within ten calendar days of the occurrence, any change required to be reported during the quarter (see Section 44-316(QR)).~~

~~(SAR) Applicants shall report within five calendar days of the occurrence, any change in any of these facts (see Section 40-181.1(e)(1)(SAR)) and recipients shall report within ten calendar days of the occurrence, any change required to be reported during the semi-annual period (see Section 44-316(SAR)).~~

(ARCO) Applicants shall report within five calendar days of the occurrence, any change in any of these facts (see Section 40-181.1(e)(1) and recipients shall report within ten calendar days of the occurrence, any change required to be reported during the annual period (see Section 44-316 (AR/CO)). (Continued)

.4 Immunization Requirements (Continued)

(g) Failure to Cooperate

If an applicant/recipient fails to submit timely verification of immunization of any child(ren) in the AU under the age of six (see Section 40-105.4(d)) and does not qualify for an exemption or have good cause (see Section 40-105.4(i)), the grant shall be reduced by the amount (MAP) allowed for the needs, as specified in Section 44-315.311, of the parent(s)/caretaker relative in the AU.

HANDBOOK BEGINS HERE

(1) Immunization Penalty Computations

Examples:

(A) An AU composed of a mother and her three children fails to submit verification of immunization and is not found to have good cause. The mother has total earned income of \$525 per month and

no disability-based unearned income. The AU is nonexempt and resides in Region 2.

Grant Computation - Single Penalty:

AU size remains four, but due to the penalty, use the MAP for three.

| | |
|-----------------------|--|
| \$ 525 | Gross Earned Income |
| - 112 225 | Unused \$112 225 Income DBI Disregard |
| \$ 413 300 | Remaining Earned Income |
| - 206 150 | 50% Earned Income Disregard* |
| \$ 206 150 | Net Nonexempt Income* |
| | |
| \$ 608 638 | MAP for three (excluding the parent) |
| - 206 150 | Total Net Nonexempt Income |
| \$ 402 488 | Aid Payment |

~~* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34.~~

- (B) This same AU also fails to cooperate with the District Attorney's office in establishing paternity for child support.

Grant Computation - Double Penalty

| | |
|-----------------------|---|
| \$ 525 | Gross Earned Income |
| - 112 225 | Unused \$112 225 Income DBI Disregard |
| \$ 413 300 | Remaining Earned Income |
| - 206 150 | 50% Earned Income Disregard* |
| \$ 206 150 | Net Nonexempt Income |
| | |
| \$ 608 638 | MAP for three (excludes the parent) |
| - 206 150 | Total Net Nonexempt Income |
| \$ 402 488 | Aid Payment with First Penalty Applied |
| - 100 122 | 25% of Aid Payment - Second Penalty for Failure to Cooperate with DA* |
| \$ 302 366 | Aid Payment with Both Penalties Applied |

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: Welfare and Institutions Code Section 11017, MPP Section 44-315.34.

HANDBOOK ENDS HERE

- (h) ~~Section 40-105.4(h)(QR) shall become inoperative and Section 40-105.4(h)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

Restoration of Aid

- ~~(QR) Once verification of immunization is submitted the grant is increased to reflect the needs of the parent(s)/caretaker relative effective the first of the month following the month in which verification is received (see Section 44-316.331(d)(QR)).~~

- (SAR) Once verification of immunization is submitted the grant is increased to reflect the needs of the parent(s)/caretaker relative effective the first of the month following the month in which verification is received (see Section 44-316.331(d)(SAR)).
(Continued)

.5 School Attendance Requirements (Continued)

- (g) ~~Section 40-105.5(g)(QR) shall become inoperative and Section 40-105.5(g)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

Restoration of Aid

- ~~(QR) The needs of the parent(s)/caretaker relative or child(ren) shall be restored effective the first of the month following the month in which verification of regular school attendance is received (See Section 44-316.331(d)(QR)).~~

- (SAR) The needs of the parent(s)/caretaker relative or child(ren) shall be restored effective the first of the month following the month in which verification of regular school attendance is received (See Section 44-316.331(d)(SAR)).

Authority cited: Sections 10553, 10554, 10604, 11209, 11253.5, 11265.2, 11265.3, 11265.8, 11266, 11268, 11450.5, and 11486, Welfare and Institutions Code, SB 72 (Chapter 8, Statutes of 2011), Section 42.

Reference: Sections 10553, 10554, 10604, 11017, 11209, 11253.5, 11265.3, 11265.8, 11266, 11268, 11450, 11451.5, 11453, 11486, 13283, 14005.2, and 18945, Welfare and Institutions Code; Section 48200, Education Code; 45 CFR 205.42(d)(2)(v)(A) and (B), as printed in Federal Register, Vol. 57, No. 198, Tuesday, October 13, 1992, page 46808; 45 CFR 205.52(a)(1) and (2); 45 CFR 233.10(a)(1)(iv) and 235.112(b); 45 CFR 400.43; 7 CFR 273.16(b); 8 United States Code (USC) 1182(d)(5)(B); 42 U.S.C. 402(a)(6) and 616(b); and Section 301(a)(1)(A) and (B) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193); California's Temporary Assistance for Needy Families State Plan dated October 9, 1996 and effective November 26, 1996; The Trafficking Victims Protection Act of 2000 (P.L. 106-386), Sections 107(b)(1)(A), (B), and (C); The Trafficking Victims Protection Reauthorization Act of 2003 (Public Law 108-193).

Amend Section 40-107 to read:

40-107 COUNTY RESPONSIBILITY (Continued)

40-107

(j) ~~Section 40-107(j)(QR) et seq. shall become inoperative and Section 40-107(j)(SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Establishing the Quarterly Reporting Cycle~~

~~Applicants shall be assigned a specific Quarterly Reporting (QR) cycle using the application date, the terminal digit of the case number, or other method determined by the county. To the extent possible, the county should align the CalWORKs annual redetermination of eligibility with the Food Stamp certification period and should also align the redetermination/recertification with the month the QR 7 is due (QR Submit Month). The county shall provide the QR 7 at the end of each QR Data Month, but no later than the first day of each QR Submit Month. The county must provide the recipient with a written notice that will include:~~

(SAR) Establishing the Semi-Annual Reporting Cycle

Applicants shall be assigned a specific Semi-Annual Reporting (SAR) cycle using their beginning date of aid. If the applicant has an existing CalFresh recertification period, the county shall align the SAR cycle with the existing recertification period. The county must align the CalWORKs annual redetermination of eligibility with the CalFresh certification period. The redetermination/recertification acts as the second semi-annual report so it must also be aligned with the SAR Submit Month. The county shall provide the SAR 7 or SAWS 2 to the recipient by the end of the SAR Data Month in the SAR Payment Period in which it is due. The county must provide the recipient with a written notice that will include:

(ARCO) Establishing the Semi-Annual and Annual Reporting Cycle

Applicants shall be assigned a specific Semi-Annual Reporting (SAR) cycle using their beginning date of aid. If the applicant has an existing CalFresh recertification period, the county shall align the SAR cycle with the existing recertification period. The county must align the CalWORKs annual redetermination of eligibility with the CalFresh certification period. The county shall provide the SAWS 2 to the recipient by the end of the AR/CO Data Month in the AR/CO Payment Period in which it is due. The county must provide the recipient with a written notice that will include:

~~(QR)~~ (1) ~~The AU's individual QR cycle,~~

~~(SAR)~~ (1) The AU's individual SAR cycle,

- ~~(QR) (2) The month in which the initial QR 7 and subsequent QR 7s are due, and~~
- (SAR) (2) The months in which the SAR 7 and the annual redetermination of eligibility (SAWS 2) are due, and
- (ARCO) (2) The month in which the annual redetermination of eligibility (SAWS 2) is due, and
- ~~(QR) (3) The QR Data Month they will be responsible for reporting information.~~
- (SAR) (3) The SAR Data Months they will be responsible for reporting information.
- (ARCO) (3) The AR/CO Data Month they will be responsible for reporting information.

~~(QR) (A) Quarterly Reporting Cycle Based on Application Date~~

~~The county shall establish three QR cycles, each comprised of four QR Payment Quarters (see Section 40-103.5(QR)). The county shall assign the applicant to one of these cycles based on the month of application. The month of application shall be considered the first month of the QR Payment Quarter regardless of whether cash aid is issued in that month.~~

(SAR) (A) Semi-Annual Reporting Cycle Based on Beginning Date of Aid

The county shall establish six SAR cycles, each comprised of two SAR Payment Periods (see Section 40-103.5(SAR)). The county shall assign the applicant to one of these cycles based on the beginning month of aid. Unless the SAR cycle is being established to align with an existing CalFresh recertification date, the beginning month of aid shall be considered the first month of the SAR Payment Period.

HANDBOOK BEGINS HERE

- ~~(QR) This model requires CWDs to consider a client's application month as the first month of the QR Payment Quarter. This month will begin the QR cycle for the new reporting system. Clients will be assigned to one of three cycles, based on their application date. For purposes of discussing months within the cycle, the following definitions will apply:~~

~~**QR Payment Quarter** — the quarter in which benefits are paid. The QR Payment Quarter will include three consecutive months. The month of application will be considered the first month of the "QR payment quarter" for purposes of identifying the appropriate client reporting cycle, regardless of whether benefits are issued in that month or as a supplemental payment in a subsequent month.~~

~~**QR Data Month** — the 2nd month of the quarter for which the client reports all information necessary to determine eligibility and~~

QR Submit Month—The third month of the quarter in which the QR 7 is required to be submitted to the CWD.

| | | | | | |
|--|------------------------|---------------------|---------------------------|-------------------|--------------------|
| <u>January</u> (Application Month) | <u>February</u> | <u>March</u> | <u>April</u> | <u>May</u> | <u>June</u> |
| QR Payment Quarter Begins | QR Data Month | QR-Submit Month | QR Payment Quarter Begins | QR Data Month | QR-Submit Month |

| | | | | | |
|---------------------------|----------------------|-------------------------|---------------------------|------------------------|------------------------|
| <u>July</u> | <u>August</u> | <u>September</u> | <u>October</u> | <u>November</u> | <u>December</u> |
| QR Payment Quarter Begins | QR Data Month | QR-Submit Month | QR Payment Quarter Begins | QR Data Month | QR-Submit Month |
| | | | | | RV/RC due |

| |
|---------------------------------------|
| <u>January</u> (13th month) |
| QR Payment Quarter Begins |
| New FS Cert Period |

The following cycles would be assigned to each applicant, based on application date.

Cycle 1:

| | | |
|--------------------------------|---------------|-----------------|
| Application/QR Payment Quarter | QR Data Month | QR Submit Month |
| January | February | March |
| April | May | June |
| July | August | September |
| October | November | December |

Cycle 2:

| | | |
|--------------------------------|---------------|-----------------|
| Application/QR Payment Quarter | QR Data Month | QR Submit Month |
| February | March | April |
| May | June | July |
| August | September | October |
| November | December | January |

Cycle 3:

| | | |
|--------------------------------|---------------|-----------------|
| Application/QR Payment Quarter | QR Data Month | QR Submit Month |
| March | April | May |
| June | July | August |
| September | October | November |
| December | January | February |

This system enables the county to align the reporting/budgeting cycle with the FS recertification date. The month in which the certification period expires will always be the QR Submit Month,

~~which will be when the recertification can be completed to set up the thirteenth month's allotment.~~

(SAR) This model requires CWDs to consider a client's beginning date of aid as the first month of the SAR Payment Period. This month will begin the SAR cycle for the new reporting system. Clients will be assigned to one of six cycles, based on their beginning date of aid. For purposes of discussing months within the cycle, the following definitions will apply:
(Continued)

This system enables the county to align the reporting/budgeting cycle with the CalFresh recertification date. The month in which the certification period expires will always be the SAR Submit Month, which will be when the recertification is completed to establish the thirteenth month's allotment.

HANDBOOK ENDS HERE

~~(QR) (B) Quarterly Reporting Cycle Based on Terminal Digits~~

~~The county shall establish three QR cycles, each for a particular set of numbers. Counties shall determine the groupings. The county shall assign a cycle to an applicant/recipient based on the last digit of his/her case number.~~

(SAR) (B) Semi-Annual Reporting Cycles Based on Other Methods

Under SAR, counties may establish reporting cycles based on factors established or approved by the department; however, the SAR cycle must be aligned with the CalWORKs redetermination date and the CalFresh recertification date.

HANDBOOK BEGINS HERE

~~This handbook section will become inoperative on the date that SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Following is one example of how a county might set up their QR cycle based on terminal digits:~~

~~Cycle 1 will be assigned to cases ending in 0, 1, 2, and 3.~~

~~Cycle 2 will be assigned to cases ending in 4, 5, and 6.~~

~~Cycle 3 will be assigned to cases ending in 7, 8, and 9.~~

HANDBOOK ENDS HERE

(k) Case Transition between SAR and AR/CO

The county shall provide the recipient with written notice when a recipient's reporting requirements transition from AR/CO to SAR or SAR to AR/CO at any time during the AR/CO Payment Period or SAR Payment Period. The written notice shall include all of the following:

- (1) The effective date of the change in reporting requirements;
- (2) The reporting rules;
- (3) Income Reporting Threshold rules;
- (4) Mandatory reporting rules;
- (5) Voluntary reporting rules;
- (6) Welfare-to-Work Reporting rules
 - (A) Cases that Change from AR/CO to SAR
 1. The SAR 7 shall not be due in the same month in which the adult is added to the household.
 2. The case shall retain the same SAR Cycle and redetermination due date, which is based on the beginning date of aid (Section 44-107 (j)(SAR)).
 - (B) Cases that Change from SAR to AR/CO
 1. The case shall transition to AR/CO effective the first of the month following the date the adult is removed from the household.
 2. The case shall not be discontinued if the recipient fails to submit the SAR 7 in cases where the adult has a SAR 7 due in one month, but transitions to AR/CO the following month.
 3. The case shall retain the same SAR Cycle and redetermination due date, which is based on the beginning date of aid (Section 44-107 (j)(AR/CO)).

HANDBOOK BEGINS HERE

(l) Examples of Cases Transitioning between SAR and AR/CO

- (1) AR/CO to SAR

The AU is an AR/CO case that applied for and was granted aid in April. The case consists of a non-needy relative (NNR) and two children. The redetermination is due in March and case is assigned SAR cycle 4. On June 2, the NNR reports she was laid off from her job and provides verification. She applies to include herself in the AU. The CWD determines she is eligible effective July 1. The case is now under SAR rules effective July 1. The CWD provides a Notice of Action to the recipient indicating the adult has been added to the AU along with a written notice indicating the case is now subject to SAR rules. The SAR cycle assigned is based on the beginning date of aid (April) and the SAR 7 is due in September. (Note: Even though the case originated as an AR/CO case, the SAR cycle was assigned at the time client was approved for aid in April.)

(2) AR/CO to SAR

An AR/CO case consists of a timed out mother and two children and has her redetermination due in April (SAR cycle 5). On December 5, the mother reports a change in household composition, reporting the father of the children has moved into the home and he wishes to apply for aid. The CWD determines the father is eligible and is added to the case effective January 1. The AU transitions from AR/CO to SAR effective January 1 because the father is now part of the AU. The CWD provides a Notice of Action to the recipient indicating the adult has been added to the AU along with a written notice indicating the case is now subject to SAR rules. The case retains the same SAR cycle based on the beginning date of aid. The redetermination will be completed in April. No SAR 7 would be due prior to redetermination (April).

(3) SAR to AR/CO

An AU of 3 consists of a mother and two children. The case is a SAR case with SAR cycle 2 (beginning month of aid August). The mother times out December 31st. The case will change to AR/CO effective January 1. The CWD provides a Notice of Action to the recipient indicating the adult has been removed from the AU along with a written notice indicating the case is now subject to AR/CO rules. The redetermination is due in August. The SAR 7 will not be due in January because the case is no longer subject to SAR requirements.

HANDBOOK ENDS HERE

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10613, 11209, 11265.1, 11265.48, 11268, 11322.5, 11323.3, 11324.8(a), (b) and (c), 11454, 11454(b) and (e), 11454.2, 11495.1, and 11500, Welfare and Institutions Code; 42 USC Sections 608(a)(7), 45 CFR 205.42(d)(2)(v)(A) and (B) as printed in Federal Register, Vol. 57, No. 198, Tuesday, October 13, 1992, page 46808; 45 CFR 205.52(a)(1) and (2); 45 CFR 205.55; and California Department of Health Services Manual Letter 77-1; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 40-119 to read:

40-119 HOW AND WHERE APPLICATION IS MADE (Continued) 40-119

.2 Optional Persons ~~Section 40-119.2(QR) shall become inoperative and Section 40-119.2(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR)~~ ~~The county shall consider either the SAWS 1, QR 3, or the QR 7 the application for adding an optional person.~~

(SAR) The county shall consider either the SAWS 1, SAR 3, or the SAR 7 the application for adding an optional person.

(ARCO) The county shall consider either the SAWS 1 or AR 3 the application for adding an optional person.
(Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: 45 CFR 206.10(a)(1)(ii), (a)(8), and (b)(2); 45 CFR 233.10(a)(1)(ii)(A) and (B); 45 CFR 233.100(a)(3)(iii) and (vi)(A); and Sections 11265.1, 11265.3, and 11450(b), Welfare and Institutions Code.

Amend Section 40-125 to read:

40-125 REAPPLICATIONS, RESTORATIONS, AND COUNTY OF RESPONSIBILITY (Continued) 40-125

.9 Request for Restoration of Aid (Continued)

~~.92 Section 40-125.92(QR) shall become inoperative and Section 40-125.92(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) If the applicant is determined to be eligible within the month following discontinuance, the applicant must provide a current QR 7 unless a complete QR 7 for the quarter in which the applicant was discontinued is in the county's possession. The applicant may be assigned to the previous QR cycle or a new QR cycle based on the date of the most recent request for aid.~~

(SAR) If the applicant is determined to be eligible within the month following discontinuance, the applicant must provide a current SAR 7 unless a complete SAR 7 for the SAR Payment Period in which the applicant was discontinued is in the county's possession. The applicant may be assigned to the previous SAR cycle or a new SAR cycle as long as the SAR cycle remains aligned with their redetermination/recertification date.

.93 (Continued)

~~.94 Section 40-125.94(QR) shall become inoperative and Section 40-125.94(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Restorations in the Calendar Month Following a QR 7 Related Discontinuance~~

(SAR) Restorations in the Calendar Month Following a SAR 7 Related Discontinuance

~~.941 Section 40-125.941(QR) shall become inoperative and Section 40-125.941(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) When a recipient who has been discontinued for failure to submit a complete QR 7 requests restoration of CalWORKs during the calendar month following discontinuance, but after the first working day of the next QR Payment Quarter, the county shall determine if the recipient had good cause (Section 40-181.23(QR)) for failure to submit a complete report.~~

- (SAR) When a recipient who has been discontinued for failure to submit a complete SAR 7 requests restoration of CalWORKs during the calendar month following discontinuance, but after the first working day of the next SAR Payment Period, the county shall determine if the recipient had good cause (Section 40-181.23(SAR)) for failure to submit a complete report.
- ~~.942 Section 40-125.942(QR) shall become inoperative and Section 40-125.942(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- ~~(QR) If the recipient had good cause for failure to submit a complete report, the discontinuance action shall be rescinded, eligibility redetermined and the grant amount computed based on information contained on the complete QR 7 submitted by the recipient.~~
- (SAR) If the recipient had good cause for failure to submit a complete report, the discontinuance action shall be rescinded, eligibility redetermined and the grant amount computed based on information contained on the complete SAR 7 submitted by the recipient.
- ~~.943 Section 40-125.943(QR) et seq. shall become inoperative and Section 40-125.943(SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- ~~(QR) When a recipient who has been discontinued for failure to submit a complete QR 7 requests restoration of CalWORKs during the calendar month following discontinuance, and is not found to have good cause, the CWD shall redetermine eligibility based on the information contained on the complete QR 7 submitted by the recipient as follows:~~
- ~~(QR) (a) Eligibility will be based on recipient rules. The recipient will not be subject to applicant eligibility criteria.~~
- ~~(QR) (b) An application (SAWS 1), Statement of Facts (SAWS 2), and intake interview are not required.~~
- ~~(QR) (c) If found eligible, aid will be restored, prorated, effective the date that the recipient submitted the complete QR 7. (See Section 44-315.72 for instructions on how to calculate prorated benefit amounts.)~~
- (SAR) When a recipient who has been discontinued for failure to submit a complete SAR 7 requests restoration of CalWORKs during the calendar month following discontinuance, and is not found to have good cause, the

CWD shall redetermine eligibility based on the information contained on the complete SAR 7 submitted by the recipient as follows:

- (SAR) (a) Eligibility will be based on recipient rules. The recipient will not be subject to applicant eligibility criteria.
- (SAR) (b) An application (SAWS 1), Statement of Facts (SAWS 2), and intake interview are not required.
- (SAR) (c) If found eligible, aid will be restored, prorated, effective the date that the recipient submitted the complete SAR 7. (See Section 44-315.72 for instructions on how to calculate prorated benefit amounts.)

.95 Restorations Based on Excess Property (Continued)

~~.952 Section 40-125.952(QR) shall become inoperative and Section 40-125.952(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) If a former recipient requests restoration after the effective date of discontinuance, the county shall determine the AU's eligibility and grant amount based on the information provided at the time of request for restoration. Beginning date of aid rules will apply (see Section 44-317). The AU may be assigned to the previous QR cycle or a new QR cycle based on the date cash aid is restored.~~

(SAR) If a former recipient requests restoration after the effective date of discontinuance, the county shall determine the AU's eligibility and grant amount based on the information provided at the time of request for restoration. Beginning date of aid rules will apply (see Section 44-317). The AU may be assigned to the previous SAR cycle or a new SAR cycle based on the date cash aid is restored; however the SAR cycle must remain aligned with the redetermination and recertification date.

.96 Restorations Based on Excess Income (Continued)

~~.962 Section 40-125.962(QR) shall become inoperative and Section 40-125.962(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) If a former recipient requests restoration after the effective date of discontinuance, the county shall determine the AU's eligibility and grant amount based on the information provided at the time of request for restoration. Beginning date of aid rules will apply (see Section 44-317).~~

~~The AU may be assigned to the previous QR cycle or a new QR cycle based on the date cash aid is restored.~~

(SAR) If a former recipient requests restoration after the effective date of discontinuance, the county shall determine the AU's eligibility and grant amount based on the information provided at the time of request for restoration. Beginning date of aid rules will apply (see Section 44-317). The AU may be assigned to the previous SAR cycle or a new SAR cycle based on the date cash aid is restored; however the SAR cycle must remain aligned with the redetermination and recertification date.

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: 45 CFR 233.60, Section 3510 (October 1961), Federal Handbook of Public Assistance Administration; Section 11349, Government Code; Sections 10553, 10554, 10604, 11008, 11023.5, 11056, 11102, 11265.1, 11265.2, 11450.12, and 11451.5, Welfare and Institutions Code; and ACF-AT-94-5; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 40-128 to read:

40-128 APPLICANT'S STATEMENT OF FACTS

40-128

.1 Filing the Statement of Facts (Continued)

.12 Minor Parent Residing with Unaided Senior Parent(s).

~~.121 Section 40-128.121(QR) shall become inoperative and Section 40-128.121(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The minor parent (see Section 44-133.71) who applies for aid while residing in the same household as his/her unaided senior parent(s) must report the income of his/her parent(s).~~

~~(QR) In addition to the form CA-2 or CA-20, the minor parent shall submit a complete Supplement to the Statement of Facts (CA-23) to the county welfare department. The minor parent is responsible for obtaining all information necessary to complete the CA-23 and for obtaining the necessary verification from the senior parent(s). The information and the submitted verification must provide the county welfare department with the facts necessary to make a correct eligibility and grant determination.~~

~~(SAR) The minor parent (see Section 44-133.51) who applies for aid while residing in the same household as his/her unaided senior parent(s) must report the income of his/her parent(s).~~

~~(SAR) In addition to the SAWS 2, the minor parent shall submit a Senior Parent Statement of Facts (SAR 23) to the county welfare department. The minor parent is responsible for obtaining all information necessary to complete the SAR 23 and for obtaining the necessary verification from the senior parent(s). The information and the submitted verification must provide the county welfare department with the facts necessary to make a correct eligibility and grant determination.~~

~~.122 Section 40-128.122(QR) shall become inoperative and Section 40-128.122(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Failure to provide a complete CA-23 (as defined in .121 above) shall result in the denial of aid to the minor parent and child in accordance with Section 40-105.1.~~

~~(SAR)~~ Failure to provide a complete SAR 23 (as defined in .121 above) shall result in the denial of aid to the minor parent and child in accordance with Section 40-105.1.

.13 Sponsored Non-Citizens

.131 A sponsored non-citizen who applies for aid shall provide the County Welfare Department (CWD) with a statement of the ability of the sponsor to meet his/her needs. As a part of his/her application for aid on the form SAWS 2, the sponsored non-citizen shall submit a complete Form SAR 22 (Sponsor's Statement of Facts) to the CWD. The sponsored non-citizen is responsible for ensuring that the SAR 22 is complete.

.132 Failure to provide a complete SAR 22 (as defined in .131 above) shall result in the denial of aid to the sponsored non-citizen. (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: 45 CFR 205.50(a)(1)(i)(A); 42 USC 602(a)(39); Family Support Action Transmittal 91-15 dated April 23, 1991; and Section 5053 of the Omnibus Budget Reconciliation Act (OBRA) of 1990.

Amend Section 40-173 to read:

40-173 COUNTY DEPARTMENT RESPONSIBILITY FOR NOTIFYING APPLICANTS AND RECIPIENTS 40-173

Prior to county action (except as provided in .7 below), the applicant or recipient shall be (a) notified of any county action which relates to his application, affects aid payment to him or his certification for medical assistance, or affects aid payments to him or his family, and (b) informed of his responsibility for reporting facts material to the determination of his eligibility. Such notification, advice, etc., shall be in simple understandable language. Required notifications are:

.1 ~~Section 40-173.1(QR) shall become inoperative and Section 40-173.1(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Notice of County Action Granting Aid, Changing the Amount of the Grant, Changing the Recipient's Status or Not Changing the Amount of the Grant Following the Submittal of a Recipient Mid-quarter Report.~~

~~(SAR) Notice of County Action Granting Aid, Changing the Amount of the Grant, Changing the Recipient's Status or Not Changing the Amount of the Grant Following the Submittal of a Recipient Mid-Period Report.~~

Use appropriate Notice of Action form. Use appropriate Notice of Action form to report county action authorizing a supplemental grant or changing status from a cash grant to MN. (See Section 40-183.) (Continued)

.8 ~~Section 40-173.8(QR) et seq. shall become inoperative and Section 40-173.8(SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Notification of Income Reporting Threshold (IRT)~~

~~(QR) Counties must inform each AU in writing of their individual IRT at least once per quarter. Informing shall also occur when MAP amount changes, when the AU or family MAP size changes, when there is a change of persons who are required to report income, at redetermination, or upon recipient request. The informing notice shall include:~~

~~(SAR) Notification of Income Reporting Threshold (IRT)~~

~~(SAR) Counties must inform each AU in writing of their individual IRT at least once per SAR Payment pPeriod. Informing shall also occur when the AU or family MAP size changes, when there is a change of persons who are required to report income, when the amount of income used to calculate the grant changes, at redetermination, when the federal poverty~~

levels are updated, upon recipient request and any other time the AU's IRT amount changes. The informing notice shall include:

(AR/CO) Counties must inform each AU in writing of their individual IRT at least once per AR/CO Payment Period. Informing shall also occur when the AU or family MAP size changes, when there is a change of persons who are required to report income, when the amount of income used to calculate the grant changes, when the federal poverty levels are updated, upon recipient request and any other time the AU's IRT amount changes. The informing notice shall include:

- ~~(QR)~~ .81 The requirement to report the receipt of gross monthly income that exceeds the IRT;
- ~~(SAR)~~ .81 The requirement to report the receipt of gross monthly income that exceeds the IRT;
- ~~(QR)~~ .82 The dollar amount of gross monthly income for the family MAP that exceeds the IRT; and
- ~~(SAR)~~ .82 The dollar amount of the IRT for the AU; and
- ~~(QR)~~ .83 The consequences of failing to report.
- ~~(SAR)~~ .83 The consequences of failing to report.

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 10613, 11209, 11265.3, 11500(b), 11502(a) and (b), and 11511(a), Welfare and Institutions Code; 45 CFR 250.20; 45 CFR 250.40(b); 45 CFR 255.1; 45 CFR 256.1(b); 45 CFR 256.2(b)(1); 45 CFR 256.4(c); and Administration for Children and Families-Action Transmittal-91-1, dated June 16, 1992; and Section 301(a)(1)(A) and (B) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193); California's Temporary Assistance for Needy Families State Plan dated October 9, 1996 and effective November 26, 1996.

Amend Section 40-181 to read:

40-181 CONTINUING ACTIVITIES AND DETERMINATION OF ELIGIBILITY 40-181

.1 General County Responsibility

(a) ~~Section 40-181.1(a)(QR) shall become inoperative and Section 40-181.1(a)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The county paying aid shall be responsible for continuing to determine eligibility to insure payment only to eligible recipients in the correct amount, to assist recipients to meet their financial and service needs as full as possible, and to make maximum use of their resources and capabilities. For CalWORKs cases, eligibility shall be established by the use of the SAWS 2 at the time of application and then at one year intervals, and also by the QR 7, and by recipients mid-quarter reports (see Section 44-316(QR) also see Section 82-832.3(QR)).~~

(SAR) The county paying aid shall be responsible for continuing to determine eligibility to insure payment only to eligible recipients in the correct amount, to assist recipients to meet their financial and service needs as fully as possible, and to make maximum use of their resources and capabilities. For CalWORKs cases, eligibility shall be established by the use of the SAWS 2 at the time of application and then at one-year intervals, and also by the SAR 7, and by recipient mid-period reports (see Sections 44-316(SAR) and 82-832.3(SAR)).

(ARCO) The county paying aid shall be responsible for continuing to determine eligibility to ensure payment only to eligible recipients in the correct amount, to assist recipients to meet their financial and service needs as fully as possible, and to make maximum use of their resources and capabilities. For CalWORKs cases, eligibility shall be established by the use of the SAWS 2 at the time of application and then at one-year intervals, and by recipient mid-period reports (see Sections 44-316(AR/CO) and 82-832.3(AR/CO)).

~~(1) Section 40-181.1(a)(1)(QR) shall become inoperative and Section 40-181(a)(1)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Eligibility regarding deprivation, household/AU composition, property, and the transfer of assets for less than fair market value shall only be determined on a quarterly basis based on the information reported on the QR 7. The county shall compare the information reported on the QR 7 with mid-quarter recipient reports (see Section 44-316(QR)) for accuracy. (Also see Section 82-832.3(QR).)~~

(SAR) Eligibility regarding deprivation, household/AU composition, property, and the transfer of assets for less than fair market value shall only be determined on a semi-annual basis based on the information reported on the SAR 7 or the SAWS 2. The county shall compare the information reported on the SAR 7 or the SAWS 2 with any mid-period recipient reports for accuracy. (See Sections 44-316(SAR) and 82-832.3(SAR)).

(ARCO) Eligibility regarding deprivation, property, and the transfer of assets for less than fair market value shall only be determined on an annual basis based on the information reported on the SAWS 2. The county shall compare the information reported on the SAWS 2 with any mid-period recipient reports for accuracy (See Section 44-316(AR/CO)).

~~(2) Section 40-181.1(a)(2)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

(SAR) The SAR 7 only asks for the recipient to report any changes since he or she last reported in regards to property, deprivation, and household/AU composition. If a recipient reports on the SAR 7 that there have been no changes since they last reported, the information on the last verified report (the SAWS 2 or any verified mid-period report) shall be used to determine continuing eligibility.

HANDBOOK BEGINS HERE

~~(3) Handbook Section 40-181.1(a)(3)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

(SAR) Example: A recipient is in a March through August SAR Payment Period. They make a voluntary mid-period report in April that they received an inheritance in the amount of \$5,000 and provide verification. The county sends the recipient a "no-change NOA" informing them that property is only evaluated once per SAR Payment Period. On the July SAR 7 submitted in August, the recipient reports that there have been no changes to their property since they last reported. The county discontinues the AU at the end of the SAR Payment Period for being over the property limit.

(ARCO) Example: A recipient has a redetermination due in August. They make a voluntary mid-period report in April that they received an inheritance in the amount of \$5,000 and provide verification. The county sends the recipient a "no-change NOA" and does not take action until the annual redetermination in August.

HANDBOOK ENDS HERE

- (b) (Continued)
- (d) ~~Section 40-181.1(d)(QR) shall become inoperative and Section 40-181.1(d)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- ~~(QR) Additional determinations shall be made as necessary if unexpected changes in income or other circumstances occur which affect the eligibility or grant level of the recipient in accordance with Section 44-316(QR).~~
- (SAR) Additional determinations shall be made as necessary if unexpected changes in income or other circumstances occur which affect the eligibility or grant level of the recipient in accordance with Section 44-316(SAR).
- (AR/CO) Additional determinations shall be made as necessary if unexpected changes in income or other circumstances occur which affect the eligibility or grant level of the recipient in accordance with Section 44-316(AR/CO).
- (e) Issuance of aid in the correct amount is a primary program objective. To achieve this objective it is essential that the county shall:
 - (1) ~~Section 40-181.1(e)(1)(QR) shall become inoperative and Section 40-181.1(e)(1)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
 - ~~(QR) Give applicants and recipients at the time of application and at least once every 12 months thereafter complete explanations in writing regarding factors which may cause ineligibility, underpayments or overpayments, penalties due to an IPV, and their responsibility to report changes as prescribed by Section 40-105.14(QR) (Applicant and Recipient Responsibility). The factors which are to be explained shall include changes in income and resources, changes in need, etc. These requirements are met by the use of the SAWS 2A QR in CalWORKs. These requirements are met by the use of the KG 2A in Kin-GAP. Verbal explanations shall also be given when necessary to assure understanding. The recipient shall signify his/her understanding of his/her responsibilities in writing.~~
 - (SAR) Give applicants and recipients at the time of application and at least once every 12 months thereafter complete explanations in writing regarding factors which may cause ineligibility, underpayments or overpayments, penalties due to an IPV, and their responsibility to report changes as prescribed by Section 40-105.14(SAR) (Applicant and Recipient Responsibility). The factors which are to be explained shall include

changes in income and resources, changes in need, etc. These requirements are met by the use of the SAWS 2A in CalWORKs. These requirements are met by the use of the KG 2A in Kin-GAP. Verbal explanations shall also be given when necessary to assure understanding. The recipient shall signify his/her understanding of his/her responsibilities in writing.

(ARCO) Give applicants and recipients at the time of application and at least once every 12 months thereafter complete explanations in writing regarding factors which may cause ineligibility, underpayments or overpayments, penalties due to an IPV, and their responsibility to report changes as prescribed by Section 40-105.14(AR/CO) (Applicant and Recipient Responsibility). The factors which are to be explained shall include changes in income and resources, changes in need, etc. These requirements are met by the use of the SAWS 2A in CalWORKs. These requirements are met by the use of the KG 2A in Kin-GAP. Verbal explanations shall also be given when necessary to assure understanding. The recipient shall signify his/her understanding of his/her responsibilities in writing.

~~(2) Section 40-181.1(e)(2)(QR) shall become inoperative and Section 40-181.1(e)(2)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) In CalWORKs, the quarterly redetermination of eligibility shall follow the procedures described above. This requirement is met by the use of the QR 7. The QR 7 shall be carefully checked each quarter upon its receipt so that correct grant computations are made. Special care should be taken to correct grant adjustments for overpayments when income/resources change.~~

(SAR) In CalWORKs, the semi-annual redetermination of eligibility shall follow the procedures described in Section 40-181.1(a). This requirement is met by the use of the SAR 7 or the SAWS 2. The SAR 7 and SAWS 2 shall be carefully checked each semi-annual period upon receipt so that correct grant computations are made. Special care should be taken to correct grant adjustments for overpayments when income/resources change.

(3) (Continued)

~~(g) Section 40-181.1(g)(QR) shall become inoperative and Section 40-181.1(g)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Aid shall not be discontinued due solely to circumstances beyond the control of the recipient which prevents reporting changes that are required to be reported within ten calendar days of the change or prevents the prompt return of the SAWS 2 or QR 7 eligibility redetermination forms.~~

(SAR) Aid shall not be discontinued due solely to circumstances beyond the control of the recipient which prevents reporting changes that are required to be reported within ten calendar days of the change or prevents the prompt return of the SAWS 2 or SAR 7 eligibility redetermination forms. (See Section 40-181.216(SAR) for information on good cause determinations for failing to complete the annual redetermination timely and Section 40-181.23(SAR) for information on good cause determinations for failure to submit a complete SAR 7 timely.)

(ARCO) Aid shall not be discontinued due solely to circumstances beyond the control of the recipient which prevents reporting changes that are required to be reported within ten calendar days of the change or prevents the prompt return of the SAWS 2 eligibility redetermination form. (See Section 40-181.216 for information on good cause determinations for failing to complete the annual redetermination timely.

(h) (Continued)

.2 Periodic Determination of Eligibility

.21 A redetermination of all circumstances of the recipient subject to change shall be completed at least once every twelve (12) months. The applicant/recipient shall complete the appropriate Statement of Facts at the time of application and at least once every 12 months after determination of eligibility. At the time of the annual redetermination and completion of the appropriate Statement of Facts, each recipient shall be either given or mailed informational material required by CDSS. (Continued)

~~.212 Section 40-181.212(SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

(SAR) The annual redetermination must be completed in the sixth month of the second Semi-Annual Payment Period of every year (six months after the SAR 7 is submitted). Because the redetermination acts as the second income eligibility report, a complete SAWS 2 must be received by the 15th day of the month in which it is due in order to allow sufficient time to determine benefit amounts and issue timely notice for the following Semi-Annual Payment Period. (Continued)

~~.213 Section 40 181.213(QR) shall become inoperative and Section 40 181.213 (SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The determination shall be considered completed as soon as the appropriate Statement of Facts has been reviewed and a decision made and recorded by the Eligibility Worker as to whether eligibility continues or ineligibility exists. The next due date for completion of the Statement of Facts shall be established in relationship to this decision. In no event shall the decision on the completed Statement of Facts be delayed solely for the purpose of avoiding a change in the periodic due date of determination of eligibility.~~

~~(SAR) The determination shall be considered completed as soon as the appropriate Statement of Facts has been reviewed and a decision made and recorded by the Eligibility Worker as to whether eligibility continues or ineligibility exists. The Statement of Facts shall be due once a year, in the same month of each year, unless the redetermination date needs to be changed in order to align it with the CalFresh recertification date.~~

~~.214 Section 40 181.214(QR) shall become inoperative and section 40-181.214(SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) If a recipient's circumstances change in such a way that it is necessary to review certain aspects of eligibility before the next Statement of Facts is due, the county shall decide whether a new Statement of Facts shall be completed. If the county decides it is necessary that the Statement of Facts be completed before the scheduled redetermination date, the next due date shall be adjusted accordingly.~~

~~(SAR) Late Redeterminations~~

~~(SAR) (a) When the redetermination of eligibility (SAWS 2) is not received by the 15th day of the month in which it is due, the county shall send the appropriate discontinuance notice.~~

~~(SAR) (b) In addition to the notice of discontinuance, the county shall attempt to make a personal contact by a county worker with the recipient either by telephone or in a face-to-face meeting. During the personal contact the county shall remind the recipient that a redetermination must be completed no later than the last day of the month in which it is due.~~

~~(SAR)~~ (c) The CWD shall document in the case file how and when the contact was attempted or made.

~~(SAR)~~ (d) If the recipient submits a completed SAWS 2 by close of business on the last day of the month in which it was due, the county shall rescind the discontinuance and determine eligibility and grant amount pursuant to 40-181.215~~(SAR)~~ and 44-315~~(SAR)~~.

~~.215 Section 40-181.215(SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(SAR)~~ Processing Late Redeterminations

~~(SAR)~~ (a) If a redetermination is completed after the 15th but on or before the last day of the month, the county shall:

~~(SAR)~~ (1) Rescind the discontinuance action; and

~~(SAR)~~ (2) Determine eligibility based on the information reported on the SAWS 2.

~~(SAR)~~ (b) If the recipient submits a complete SAWS 2 during the month following discontinuance, upon recipient request, the CWD shall determine whether the recipient had good cause for failure to complete the redetermination timely, in accordance with Section 40-181.216~~(SAR)~~.

~~.216 Section 40-181.216(SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(SAR)~~ Good Cause Determination for Failure to Complete a Redetermination Timely

~~(SAR)~~ A recipient may have good cause for not meeting the redetermination reporting requirements. Good cause exists only when the recipient cannot reasonably be expected to fulfill his/her reporting responsibilities due to factors outside of his/her control. The burden of proof rests with the recipient.

- ~~(SAR)~~ (a) A good cause exemption shall only be granted if the request is made by the parent, other caretaker relative, or an authorized representative.
- ~~(SAR)~~ (b) A request is defined as any clear expression to the county, whether verbal or written, that the recipient wants an opportunity to present his/her explanation for not meeting the redetermination reporting requirements. A request for a State Hearing also may be considered a request for good cause determination when the issue to be heard specifically relates to Section 40-181.21~~(SAR)~~.
- ~~(SAR)~~ (c) In lieu of a request, as required by (2) above, a county has the discretion to independently determine that one of the situations specified in (d) below exists.
- ~~(SAR)~~ (d) Good cause exists in only the following situations:
 - ~~(SAR)~~ (1) When the recipient is suffering from a mental or physical condition which prevents timely and complete reporting.
 - ~~(SAR)~~ (2) When the recipient's failure to submit a timely and complete report is directly attributable to county error.
 - ~~(SAR)~~ (3) When the county finds other extenuating circumstances.
- ~~(SAR)~~ (e) When the recipient has good cause for not reporting timely, the county shall rescind the discontinuance.
- ~~(SAR)~~ (f) If the recipient is not found to have good cause for not reporting timely, the county shall determine eligibility based on applicant rules from the date that the complete SAWS 2 was submitted.
- ~~(SAR)~~ (g) If the SAWS 2 is received more than a month following discontinuance, it shall be treated as a request for restoration of aid and eligibility shall be determined based on applicant rules from the date the complete SAWS 2 was received. (See Section 40-125.9.)

~~.217 Section 40-181.217(QR) and Handbook Section 40-181.217(QR) shall become inoperative and Section 40-181.217(SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR)~~ If the redetermination process is established outside of the QR Data Month, the county shall act mid-quarter on all information to increase, decrease, or discontinue cash aid as appropriate.

~~HANDBOOK BEGINS HERE~~

~~(QR)~~ Counties are encouraged to align the CalWORKs redetermination period with the Food Stamp Program recertification period (Section 63-504) to the extent possible. In addition, counties are strongly encouraged to align the submission of the annual redetermination with the submission of the QR 7, so that the QR Data Month information is also the information used for the redetermination.

~~HANDBOOK ENDS HERE~~

~~(SAR)~~ For CalWORKs purposes, a redetermination is complete when all of the following requirements are met:

~~(SAR)~~ (a) The response to all questions pertaining to CalWORKs eligibility and grant amount shall provide the county with information sufficient to answer the question. The information provided on the SAWS 2 together with the submitted evidence must be sufficient for the county to determine eligibility and grant amounts. This includes the income and any change in resources of a stepparent living in the home, and any person who is required to apply for aid under Section 40-118 but is excluded from the AU. Reported income shall include current earned, unearned, exempt, and nonexempt income and any reasonably anticipated changes to that income; and

~~(SAR)~~ (b) Evidence shall be submitted with the SAWS 2 to verify the gross amount of all earned income received and the date of receipt. Evidence shall be submitted to verify initial receipt of or a change in the amount of unearned income received. Such evidence includes but is not limited to: pay stubs, letters of award or benefits (such as unemployment, disability, or Social Security), statements showing interest income, dividend income, tax return showing the amount of EIC received, etc. Documents and records submitted with the SAWS 2 shall be promptly returned to the recipient; and

~~(SAR)~~ (c) The address along with other information provided on the SAWS 2 shall be sufficient for county administrative purposes, including the ability to locate the recipient; and

~~(SAR)~~ (d) Information reported on the SAWS 2 must be consistent with other information which the county has verified to be accurate; and

- ~~(SAR)~~ (e) The SAWS 2 shall be signed under penalty of perjury by each natural or adoptive parent or aided spouse of a parent or other caretaker relative living in the home, unless an individual so specified is temporarily absent from the home (see Section 82-812); and
- ~~(SAR)~~ (f) The redetermination interview has been completed; and
- ~~(SAR)~~ (g) The SAWS 2 shall include the SAR 22 (Sponsors Statement of Facts, Income and Resources) when the recipient is a sponsored non-citizen; and
- ~~(SAR)~~ (h) The SAWS 2 shall include the SAR 23 (Senior Parent Statement of Facts) when a minor parent lives with his/her senior parent (see Section 89-201.5).

.218 (Continued)

~~.22 Section 40-181.22(QR) shall become inoperative and Section 40-181.22(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) CalWORKs recipients shall, in addition to the annual completion of the SAWS 2, complete and return the QR 7 to the county by the 5th calendar day of each QR Submit Month but not before the first calendar day of that month. QR 7s not received by the 11th of the QR Submit Month shall be considered late.~~

(SAR) CalWORKs recipients shall, in addition to the annual completion of the SAWS 2, complete and return a SAR 7 to the county by the 5th calendar day of the SAR Submit Month in which a redetermination is not due, but not before the first calendar day of that month. SAR 7s not received by the 11th of the SAR Submit Month shall be considered late.

~~.221 Section 40-181.221(QR) shall become inoperative and Section 40-181.221(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Late QR 7s~~

(SAR) Late SAR 7s

(a) ~~Section 40-181.221(a)(QR) shall become inoperative and Section 40-181.221(a)(SAR) shall become operative in a county on the~~

~~date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) When the QR 7 is not received by the 11th day of the QR Submit Month or the QR 7 is received but is not complete in accordance with the completeness criteria specified in Section 40-181.241(QR), the county shall send the appropriate discontinuance notice.~~

(SAR) When the SAR 7 is not received by the 11th day of the SAR Submit Month or the SAR 7 is received but is not complete in accordance with the completeness criteria specified in Section 40-181.241(SAR), the county shall send the appropriate discontinuance notice.

~~(b) Section 40-181.221(b)(QR) shall become inoperative and Section 40-181.221(b)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) When a QR 7 has not been received at the county after the notice of discontinuance has been sent, the county shall attempt to make a personal contact with the recipient either by telephone or in a face-to-face meeting. During the personal contact the county shall remind the recipient that a complete QR 7 must be received by the county no later than the first working day of the next QR Payment Quarter.~~

(SAR) When a SAR 7 has not been received at the county after the notice of discontinuance has been sent, the county shall attempt to make a personal contact by a county worker with the recipient either by telephone or in a face-to-face meeting. During the personal contact the county shall remind the recipient that a complete SAR 7 must be received by the county no later than the end of the first working day of the next SAR Payment Period.

(1) When the recipient cannot be personally contacted, a written reminder notice, which shall include language specified by SCDSS, shall be mailed no later than five days prior to the last calendar day of the report month. Under no circumstances shall the reminder notice be mailed in the same envelope as the discontinuance notice required in Section 40-181.221(a).

(c) The CWD shall document in the case file how and when the contact was attempted or made.

- (d) ~~Section 40-181.221(d)(QR) shall become inoperative and Section 40-181.221(d)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- (QR) ~~If the recipient contacts the county on the first working day of the QR Payment Quarter to report nonreceipt of his or her warrant, the county shall inform the recipient of a pending discontinuance due to nonreceipt of a complete QR 7 and shall inform him/her that the discontinuance will be rescinded if a complete QR 7 is received by the end of that day.~~
- (SAR) If the recipient contacts the county on the first working day of the SAR Payment Period to report nonreceipt of his or her benefits, the county shall inform the recipient of a pending discontinuance due to nonreceipt of a complete SAR 7 and shall inform him/her that the discontinuance will be rescinded if a complete SAR 7 is received by the end of that day.
- (e) ~~Section 40-181.221(e)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- (SAR) If the recipient turns in an incomplete SAR 7 to the county on or before the first working day of the next SAR Payment Period, the county shall attempt to make a personal contact with the recipient, either by phone or by mail, to inform them that their SAR 7 is still not complete and that the discontinuance still stands.
- (f) ~~Section 40-181.221(f)(QR) shall become inoperative and Section 40-181.221(f)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- (QR) ~~The county shall not take action to notify the Local Child Support Agency or any affected employment or training program of a QR 7 related discontinuance until after the first working day of the next QR Payment Quarter.~~
- (SAR) The county shall not take action to notify the Local Child Support Agency or any affected employment or training program of a SAR 7 related discontinuance until after the first working day of the next SAR Payment Period.

~~.222 Section 40-181.222(QR) shall become inoperative and Section 40-181.222(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Processing Late QR 7s~~

(SAR) Processing Late SAR 7s

(a) ~~Section 40-181.222(a)(QR) et seq. shall become inoperative and Section 40-181.222(a)(SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) If a complete QR 7 is received after the 11th but on or before the first working day of the next QR Payment Quarter, the county shall:~~

~~(QR) (1) Rescind the discontinuance action; and~~

~~(QR) (2) Determine eligibility based on the information reported on the QR 7.~~

(SAR) If a complete SAR 7 is received after the 11th but on or before the first working day of the next SAR Payment Period, the county shall:

(SAR) (1) Rescind the discontinuance action; and

(SAR) (2) Determine eligibility based on the information reported on the SAR 7.

(b) Upon the request of the recipient, the CWD shall determine whether the recipient had good cause for failure to submit a timely report of earnings in accordance with Section 40-181.23

(c) ~~Section 40-181.222(c)(QR) shall become inoperative and Section 40-181.222(c) (SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) If a complete QR 7 is received after the first working day of the next QR Payment Quarter, but during the month following discontinuance for non-submittal of a complete QR 7, eligibility and benefits shall be determined as described in Section 40-125.943(QR).~~

(SAR) If a complete SAR 7 is received after the first working day of the next SAR Payment Period, but during the month following discontinuance for non-submittal of a complete SAR 7, eligibility and benefits shall be determined as described in Section 40-125.943(SAR).

~~.223 Section 40-181.223(QR) shall become inoperative and Section 40-181.223(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) In reunification cases, as defined in Section 80-301(r)(4), the parents are not required to submit a quarterly eligibility report as long as the reunification plan remains in place.~~

(SAR) In family reunification cases, as defined in Section 80-301(r)(4), the parents are not required to submit a semi-annual eligibility report as long as the reunification plan remains in place.

~~.23 Section 40-181.23(QR) shall become inoperative and Section 40-181.23(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Good Cause Determination for Failure to Submit a Complete QR 7 Timely~~

~~(QR) A recipient may have good cause for not meeting the quarterly reporting requirements. Good cause exists only when the recipient cannot reasonably be expected to fulfill his/her reporting responsibilities due to factors outside of his/her control. The burden of proof rests with the recipient.~~

(SAR) Good Cause Determination for Failure to Submit a Complete SAR 7 Timely

(SAR) A recipient may have good cause for not meeting the semi-annual reporting requirements. Good cause exists only when the recipient cannot reasonably be expected to fulfill his/her reporting responsibilities due to factors outside of his/her control. The burden of proof rests with the recipient.

~~.231 Section 40-181.231(QR) shall become inoperative and Section 40-181.231(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) A good cause exemption shall only be granted if the request is made by the parent, other caretaker relative, or an authorized representative unless a good cause determination is required in accordance with Section 40-~~

~~125.94(QR) (Restoration in the Calendar Month Following a QR 7 Discontinuance).~~

(SAR) A good cause exemption shall only be granted if the request is made by the parent, other caretaker relative, or an authorized representative unless a good cause determination is required in accordance with Section 40-125.94(SAR) (Restoration in the Calendar Month Following a SAR 7 Discontinuance).

(a) ~~Section 40-181.231(a)(QR) shall become inoperative and Section 40-181.231(a)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

(QR) ~~A request is defined as any clear expression to the county, whether verbal or written, that the recipient wants an opportunity to present his/her explanation for not meeting the quarterly reporting requirements. A request for a State Hearing also may be considered a request for good cause determination when the issue to be heard specifically relates to Section 40-181.22(QR).~~

(SAR) A request is defined as any clear expression to the county, whether verbal or written, that the recipient wants an opportunity to present his/her explanation for not meeting the semi-annual reporting requirements. A request for a State Hearing also may be considered a request for good cause determination when the issue to be heard specifically relates to Section 40-181.22(SAR).
(Continued)

.24 ~~Section 40-181.24(QR) shall become inoperative and Section 40-181.24(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

(QR) ~~Criteria for Evaluating Information Reported on the QR 7~~

(SAR) ~~Criteria for Evaluating Information Reported on the SAR 7~~

.241 ~~Section 40-181.241(QR) shall become inoperative and Section 40-181.241(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

(QR) ~~For CalWORKs purposes, a QR 7 is complete when all the following requirements are met:~~

(SAR) For CalWORKs purposes, a SAR 7 is complete when all the following requirements are met:

~~(a) Section 40-181.241(a)(QR) shall become inoperative and Section 40-181.241(a)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The date the QR 7 is signed shall be no earlier than the first day of the QR Submit Month.~~

(SAR) The date the SAR 7 is signed shall be no earlier than the first day of the SAR Submit Month.

~~(1) Section 40-181.241(a)(1)(QR) shall become inoperative and Section 40-181.241(a)(1)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) This requirement is met when the date entered on the QR 7 by the recipient, together with other dated material provided with the QR 7 and the date on which the county mailed or gave the QR 7 to the recipient, clearly establishes that the QR 7 was signed no earlier than the first day of the QR Submit Month.~~

(SAR) This requirement is met when the date entered on the SAR 7 by the recipient, together with other dated material provided with the SAR 7 and the date on which the county mailed or gave the SAR 7 to the recipient, clearly establishes that the SAR 7 was signed no earlier than the first day of the SAR Submit Month.

~~(b) Section 40-181.241(b)(QR) shall become inoperative and Section 40-181.241(b)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The address along with other information provided on the QR 7 shall be sufficient for county administrative purposes, including the ability to locate the recipient; and~~

(SAR) The address along with other information provided on the SAR 7 shall be sufficient for county administrative purposes, including the ability to locate the recipient; and

- (c) ~~Section 40-181.241(e)(QR) shall become inoperative and Section 40-181.241(e)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- ~~(QR) The QR 7 shall be signed under penalty of perjury by each natural or adoptive parent or aided spouse of a parent or other caretaker relative living in the home, unless an individual so specified is temporarily absent from the home (see Section 82-812); and~~
- (SAR) The SAR 7 shall be signed under penalty of perjury by each natural or adoptive parent or aided spouse of a parent or other caretaker relative living in the home, unless an individual so specified is temporarily absent from the home (see Section 82-812); and
- (d) (Reserved)
- (e) ~~Section 40-181.241(e)(QR) shall become inoperative and Section 40-181.241(e)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- ~~(QR) The response to all questions pertaining to CalWORKs eligibility and grant amount shall provide the county with information sufficient to answer the question. The information provided on the QR 7 together with the submitted evidence must be sufficient for the county to determine eligibility and/or grant amounts. This includes the income and any change in resources of a stepparent living in the home, and any person who is required to apply for aid under Section 40-118 but is excluded from the AU. Reported income shall include earned, unearned, exempt, and nonexempt income received during the QR Data Month and income reasonably anticipated to be received during the next QR Payment Quarter; and~~
- (SAR) The response to all questions pertaining to CalWORKs eligibility and grant amount shall provide the county with information sufficient to answer the question. The information provided on the SAR 7 together with the submitted evidence must be sufficient for the county to determine eligibility and/or grant amounts. This includes the income and any change in resources of a stepparent living in the home, and any person who is required to apply for aid under Section 40-118 but is excluded from the AU. Reported income shall include earned, unearned, exempt, and nonexempt income received during the SAR Data Month and any reasonably

anticipated changes to this income during the next SAR Payment Period; and

~~(f) Section 40-181.241(f)(QR) shall become inoperative and Section 40-181.241(f)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Evidence shall be submitted with the QR 7 to verify the gross amount of all earned income received and the date of receipt. Evidence shall be submitted to verify initial receipt of or a change in the amount of unearned income received. Such evidence includes but is not limited to: pay stubs, letters of award or benefits (such as unemployment, disability, or Social Security), statements showing interest income, dividend income, tax return showing the amount of EIC received, etc. Documents and records submitted with the QR 7 shall be promptly returned to the recipient; and~~

~~(SAR) Evidence shall be submitted with the SAR 7 to verify the gross amount of all earned income received and the date of receipt. Evidence shall be submitted to verify initial receipt of or a change in the amount of unearned income received. Such evidence includes but is not limited to: pay stubs, letters of award or benefits (such as unemployment, disability, or Social Security), statements showing interest income, dividend income, tax return showing the amount of EIC received, etc. Documents and records submitted with the SAR 7 shall be promptly returned to the recipient; and~~

~~(g) Section 40-181.241(g)(QR) shall become inoperative and Section 40-181.241(g)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Information reported on the QR 7 must be consistent with other information which the county has verified to be accurate; and~~

~~(SAR) Information reported on the SAR 7 must be consistent with other information which the county has verified to be accurate, including any verified mid-period reports; and~~

~~(h) Section 40-181.241(h)(QR) shall become inoperative and Section 40-181.241(h)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The QR 7 shall include form QR 72 (as defined in Section 40-181.25(QR)) when the recipient is a sponsored non-citizen.~~

(SAR) The SAR 7 shall include form SAR 72 (as defined in Section 40-181.25(SAR)) when the recipient is a sponsored non-citizen.

(i) ~~Section 40-181.241(i)(QR) shall become inoperative and Section 40-181.241(i)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The Senior Parent Quarterly Income Report (QR 73) shall be submitted with the QR 7 when a minor parent lives with his/her senior parent (see Section 89-201.5). The completeness of the QR 73 shall be determined using the criteria for evaluating the completeness of the QR 7.~~

(SAR) The Senior Parent Semi-Annual Income Report (SAR 73) shall be submitted with the SAR 7 when a minor parent lives with his/her senior parent (see Section 89-201.5). The completeness of the SAR 73 shall be determined using the criteria for evaluating the completeness of the SAR 7.

.242 (Continued)

~~.244 Section 40-181.244(QR) shall become inoperative and Section 40-181.244(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Failure to provide the information or evidence specified in Section 40-181.243 shall result in the disallowance of the deduction. Failure to provide the information on the form or to provide the evidence shall not, in and of itself, render the QR 7 incomplete as defined in Section 40-181.241(QR).~~

(SAR) Failure to provide the information or evidence specified in Section 40-181.243 shall result in the disallowance of the deduction. Failure to provide the information on the form or to provide the evidence shall not, in and of itself, render the SAR 7 incomplete as defined in Section 40-181.241(SAR).

.25 Sponsored Non-Citizen Reporting.

~~Section 40 181.25(QR) shall become inoperative and Section 40 181.25(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) In addition to the Quarterly Eligibility Report (QR 7), the recipient who is a sponsored non-citizen as defined in Section 43-119 shall report the income and resources of the sponsor.~~

~~(SAR) In addition to the Semi-Annual Eligibility Report (SAR 7), the recipient who is a sponsored non-citizen as defined in Section 43-119 shall report the income and resources of the sponsor.~~

~~.251 Section 40 181.251(QR) shall become inoperative and Section 40-181.251(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

Reporting of the sponsor's income and resources.

~~(QR) The recipient shall submit a completed Sponsors Quarterly Income and Resources Report (QR 72) to the county. The recipient is responsible for obtaining all information necessary to complete the QR 72 and for obtaining any cooperation necessary from the sponsor.~~

~~(SAR) The recipient shall submit a completed Sponsors Semi-Annual Income and Resources Report (SAR 72) to the county. The recipient is responsible for obtaining all information necessary to complete the SAR 72 and for obtaining any cooperation necessary from the sponsor.~~

~~.252 Section 40 181.252(QR) shall become inoperative and Section 40-181.252(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The QR 72 shall be due by the 5th calendar day of the QR Submit Month but not before the first calendar day of the next QR Payment Quarter. When the county has not received the completed QR 72 by the 11th calendar day of the QR Submit Month, the recipient has not met the requirement for returning a complete QR 7. See Section 40 181.22(QR). The QR 72 shall be considered complete if all the following requirements are met:~~

~~(SAR) The SAR 72 shall be due by the 5th calendar day of the SAR Submit Month but not before the first calendar day of the next SAR Submit Month. When the county has not received the completed SAR 72 by the 11th calendar day of the SAR Submit Month, the recipient has not met the~~

requirement for returning a complete SAR 7. See Section 40-181.22(SAR). The SAR 72 shall be considered complete if all the following requirements are met:

(a) ~~Section 40-181.252(a)(QR) shall become inoperative and Section 40-181.252(a)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Dated no earlier than the first day of the QR Submit Month; and~~

(SAR) Dated no earlier than the first day of the SAR Submit Month; and
(Continued)

(f) ~~Section 40-181.252(f)(QR) shall become inoperative and Section 40-181.252(f)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Evidence shall be submitted with the QR 72 to establish the gross amount of income received by the sponsor, and the date of receipt. See Section 40-181.241(f)(QR) for examples of acceptable evidence.~~

(SAR) Evidence shall be submitted with the SAR 72 to establish the gross amount of income received by the sponsor, and the date of receipt. See Section 40-181.241(f)(SAR) for examples of acceptable evidence.

~~.253 Section 40-181.253(QR) shall become inoperative and Section 40-181.253(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) A complete QR 7 includes form QR 72 (as defined in Section 40-181.251(QR)) when a member of the AU is a sponsored non-citizen. The failure to provide a completed QR 72 on or before the 1st calendar day of the next QR Payment Quarter shall result in discontinuance for those members of the AU who are sponsored non-citizens.~~

(SAR) A complete SAR 7 includes form SAR 72 (as defined in Section 40-181.251(SAR)) when a member of the AU is a sponsored non-citizen. The failure to provide a completed SAR 72 on or before the 1st calendar day of the next SAR Payment Period shall result in discontinuance for those members of the AU who are sponsored non-citizens.

~~.26 Section 40-181.26(QR) shall become inoperative and Section 40-181.26(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Failure to report or verify the receipt of a child/spousal support disregard payment issued under Section 82-520.2 will not result in an incomplete QR 7 nor in termination of aid.~~

(SAR) Failure to report or verify the receipt of a child/spousal support disregard payment issued under Section 82-520.2 will not result in an incomplete SAR 7 nor in termination of aid.

.3 Methods of Periodic Determination of Eligibility

.31 Regulations governing the method of the initial determination also govern all continuing and periodic determinations. (See Sections 40-157 and 40-161.)
(Continued)

~~.312 Section 40-181.312(QR) shall become inoperative and Section 40-181.312(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Quarterly redeterminations using the QR 7 form, or special nonscheduled investigations conducted by the county, may include an interview with the parent or person responsible for the child.~~

(SAR) Semi-Annual redeterminations using the SAR 7 form, or special nonscheduled investigations conducted by the county, may include an interview with the parent or person responsible for the child.

(AR/CO) Special nonscheduled investigations conducted by the county, may include an interview with the parent or person responsible for the child.

~~.32 Section 40-181.32(QR) shall become inoperative and Section 40-181.32(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The recipient's statements or the statements of his/her guardian or any other person acting for him/her and completing the appropriate Statement of Facts and QR 7(s), together with information obtained from all other sources, shall be assessed in the light of facts previously known and in relation to potentials for change in eligibility status or amount of grant.~~

(SAR) The recipient's statements or the statements of his/her guardian or any other person acting for him/her and completing the appropriate Statement of Facts and

SAR 7(s), together with information obtained from all other sources, shall be assessed in the light of facts previously known and in relation to potentials for change in eligibility status or amount of grant.

(ARCO) The recipient's statements or the statements of his/her guardian or any other person acting for him/her and completing the appropriate Statement of Facts, together with information obtained from all other sources, shall be assessed in the light of facts previously known and in relation to potentials for change in eligibility status or amount of grant.

.33 (Continued)

Authority cited: Sections 10553, 10554, 10604, 11203, 11265.1, 11369, and 18904, Welfare and Institutions Code.

Reference: 42 U.S.C. 616(b) and (f); 45 CFR 233.28 and 233.29(c); and 45 CFR 235.112(b); 7 CFR 273.16(b); Sections 10063, 10553, 10554, 10604, 11008, 11203, 11253.5, 11254, 11265, 11265.1, 11265.2, 11265.3, 11265.8, 11280, 11450.12, 11451.5, 11486, and 11495.1, Welfare and Institutions Code; and Section 301(a)(1)(A) and (B) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193); California's Temporary Assistance for Needy Families State Plan dated October 9, 1996 and effective November 26, 1996; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 40-188 to read:

40-188 TRANSFER PROCEDURE

40-188

.1 First County

The first county shall: (Continued)

.14 Determine Eligibility

~~Section 40-188.14(QR) shall become inoperative and Section 40-188.14(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR)~~

~~Determine continuing eligibility and amount of cash aid from the most recent Quarterly Eligibility Report due during the transfer period. Once eligibility is determined, cash aid shall continue until the end of the QR Payment Quarter in which the transfer period ends.~~

(SAR)

Determine continuing eligibility and amount of cash aid from the most recent Semi-Annual Eligibility Report (SAR 7 or SAWS 2) due during the transfer period. Once eligibility is determined, cash aid shall continue until the end of the SAR Payment Period in which the transfer period ends.

(ARCO)

Determine continuing eligibility and amount of cash aid from the most recent Statement of Facts (SAWS 2) during the transfer period. Once eligibility is determined, cash aid shall continue until the end of the AR/CO Payment Period in which the transfer period ends. (Continued)

Authority cited: Sections 10553, 10554, 10605, 11052.6, 11053, 11102, and 11369, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 10605, and 11265.1, Welfare and Institutions Code; and Nickols v. Saenz Court Order Case Number 310867; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 40-190 to read:

40-190 COUNTY RESPONSIBILITY (Continued) 40-190

.2 Payment Responsibility There shall be no interruption nor overlap in payment of aid when a recipient moves from one county to another county.

.21 ~~Section 40-190.21(QR) shall become inoperative and Section 40-190.21(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's Declaration.~~

~~(QR) Quarterly Reporting Cycle The second county shall establish the recipient's quarterly reporting cycle which may differ from the first county's quarterly reporting cycle.~~

~~(SAR) Semi-Annual Reporting Cycle~~ The second county shall establish the recipient's semi-annual reporting cycle which may differ from the first county's semi-annual reporting cycle, but must remain aligned with the CalFresh recertification date. (Continued)

Authority cited: Sections 10553, 10554, 10604, 11053, 11102, and 11369, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 10604, 11004, and 11265.1, Welfare and Institutions Code; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 41-405 to read:

41-405 TERMINATION OF DEPRIVATION

41-405

.1 When a basis for deprivation ceases, and the family remains in need, the county shall determine if any other basis for deprivation exists.

.11 ~~Section 41-405.11(QR) shall become inoperative and Section 41-405.11(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) When a basis for deprivation ceases mid-quarter, the county shall not take mid-quarter action based on changes in deprivation. Any change in deprivation shall be reported on the QR 7 and any change in eligibility or grant amount that results from the change in deprivation shall be effective the first day of the next QR Payment Quarter.~~

(SAR) When a basis for deprivation ceases mid-period, the county shall not take mid-period action based on changes in deprivation. Any change in deprivation shall be reported on the SAR 7 or the SAWS 2 and any change in eligibility or grant amount that results from the change in deprivation shall be effective the first day of the next SAR Payment Period.

(ARCO) When a basis for deprivation ceases mid-period, the county shall not take mid-period action based on changes in deprivation, with the exception of changes in deprivation due to changes in household composition (see Section 41-405.111). Any change in deprivation, outside of changes in household composition, shall be reported on the SAWS 2 and any change in eligibility or grant amount that results from the change in deprivation, outside of changes in household composition, shall be effective the first day of the next AR/CO Payment Period.

(ARCO).111 The county shall take action based on a change in deprivation due to changes in household composition. Any change in eligibility or grant amount that results from the change in deprivation, due to changes in household composition, shall be determined pursuant to Section 44-316.325(AR/CO).

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11265.2, 11265.47, 11265.48, and 11450.5, Welfare and Institutions Code.

Amend Section 42-209 to read:

42-209 DIFFERENTIATION OF PROPERTY AND INCOME 42-209

.1 Some payments may be considered property, income, or a combination of both. For the differentiation of such payments, see Section 44-105.

.2 ~~Section 42-209.2(QR) shall become inoperative and Section 42-209.2(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Under QR/PB, nonrecurring lump sum payments, which are not recurring regular income and usually nonrecurring in regard to amount and/or source, shall be treated as property in the month of receipt and any subsequent months.~~

~~(SAR) Under SAR, n~~Nonrecurring lump sum payments, which are not recurring regular income and usually nonrecurring in regard to amount and/or source, shall be treated as property in the month of receipt and any subsequent months.

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11265.1, 11265.2, 11265.3, and 11450.5, Welfare and Institutions Code.

Amend Section 42-213 to read:

42-213 PROPERTY ITEMS TO BE EXCLUDED IN EVALUATING PROPERTY 42-213
WHICH MAY BE RETAINED

.1 Real Property to Be Excluded

.11 The following items are to be excluded in evaluating real property: (Continued)

(h) The separate and community shares of real property of the absent parent which are unavailable to the CalWORKs family or child (i.e., the family or child does not have possession or control of the property so that the property may be used to meet current needs). Such unavailable property is to be excluded in cases where the child is living apart from his/her parent or parents. The exclusion applies to a child in foster care regardless of whether his/her parents are maintaining a home together.

(1) ~~Section 42-213.11(h)(1)(QR) shall become inoperative and Section 42-213.11(h)(1)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) An availability determination of the separate community shares of real property of an absent parent must be made by the county as part of the initial eligibility determination. After the initial eligibility determination, the county shall only make a determination when the county receives information on the QR 7 that there has been a change.~~

(SAR) An availability determination of the separate community shares of real property of an absent parent must be made by the county as part of the initial eligibility determination. After the initial eligibility determination, the county shall only make a determination when the county receives information on the SAR 7 or SAWS 2 that there has been a change. If the county receives a voluntary mid-period report of such a change, this information will only be reevaluated when the following semi-annual report is processed.

(ARCO) An availability determination of the separate community shares of real property of an absent parent must be made by the county as part of the initial eligibility determination. After the initial eligibility determination, the county shall only make a determination when the county receives information on the SAWS 2 that there has been a change. If the county receives a voluntary

mid-period report of such a change, this information will only be reevaluated when the following annual report is processed.

(i) (Continued)

.12 Real property, not otherwise excluded, that the assistance unit is making a good faith effort to sell may be exempt from consideration in the resource limit described in Section 42-207 for a period of no more than nine consecutive months. Any six-month period, which was the maximum period permitted by these regulations as they were effective prior to January 1, 1987, ending on or after December 31, 1986 may be extended to nine months at the recipient's request. (Continued)

~~.127 Section 42-213.127(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

(SAR) If the nine month exemption period ends in the middle of a SAR Payment Period, and the property has not sold, the county must take mid-period action to discontinue the AU at the end of the month in which the exemption period ended, with timely and adequate notice (see Section 44-316.331(t)(SAR)).

(AR/CO) If the nine month exemption period ends in the middle of a AR/CO Payment Period and the property has not sold, the county must take mid-period action to discontinue the AU at the end of the month in which the exemption period ended, with timely and adequate notice (see Section 44-316.331(t)(AR/CO).

.2 Personal Property and Vehicles to Be Excluded: The county shall determine personal property items and vehicles to be excluded in evaluating property in accordance with methods established under the CalFresh Program (see CalFresh regulations at Manual of Policies and Procedures Sections 63-501.3, .52, and .53) except as noted below. (Continued)

.23 Restricted accounts shall be excluded for CalWORKs recipients.

.231 Restricted Accounts (Continued)

(l) Applying the Period of Ineligibility

~~Section 42-213.231(l)(QR) shall become inoperative and Section 42-213.231(l)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) When the county determines that a period of ineligibility is applicable, the period of ineligibility shall begin on the first day of the month of the next QR Payment Quarter following the reported nonqualifying withdrawal on the QR 7 and continue for the determined number of months.~~

(SAR) When the county determines that a period of ineligibility is applicable, the period of ineligibility shall begin on the first day of the month of the next SAR Payment Period following the reported nonqualifying withdrawal on the SAR 7 or SAWS 2 and continue for the determined number of months.

(AR/CO) When the county determines that a period of ineligibility is applicable, the period of ineligibility shall begin on the first day of the month of the next AR/CO Payment Period following the reported nonqualifying withdrawal on the SAWS 2 and continue for the determined number of months.

HANDBOOK BEGINS HERE

(m) Examples

~~Handbook Section 42-213.231(m)(QR) examples 1 and 2 shall become inoperative and Section 42-213.231(m)(SAR) examples 1 and 2 shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

(1) Example 1:

~~(QR) An AU of three is in an April/May/June Quarter.~~

| | |
|--|--------------------|
| Bank balance prior to May withdrawal: | \$5,000 |
| Amount withdrawn from account: | \$4,500 |
| Amount used to purchase home: | \$3,000 |
| Amount used to buy furniture: | \$1,500 |

(SAR) An AU of three is in a January through June SAR Period.

| | |
|---------------------------------------|---------|
| Bank balance prior to May withdrawal: | \$5,000 |
| Amount withdrawn from account: | \$4,500 |
| Amount used to purchase home: | \$3,000 |
| Amount used to buy furniture: | \$1,500 |

(ARCO) An AU of three has a redetermination period of July - June

| | |
|--|----------------|
| <u>Bank balance prior to May withdrawal:</u> | <u>\$5,000</u> |
| <u>Amount withdrawn from account:</u> | <u>\$4,500</u> |
| <u>Amount used to purchase home:</u> | <u>\$3,000</u> |
| <u>Amount used to buy furniture:</u> | <u>\$1,500</u> |

(A) Since the AU used a portion of the withdrawal on a nonallowable expenditure, the county shall calculate a period of ineligibility as follows:

1. \$5,000 balance prior to withdrawal
-3,000 allowable expense for purchase of home
\$2,000 remainder
2. Divide the remainder (\$2,000) by MBSAC + special needs for an AU of three
(\$2,000 divided by \$894 1,200 = 2.24 1.66 months)
3. Round down the result to the nearest whole number (~~two~~ one months).
4. The AU is ineligible for ~~two~~ one months. The AU shall be discontinued at the end of June. The AU can reapply for aid on ~~September~~ August 1.

Example 2:

~~(QR) An AU of three is in the April/May/June Quarter and has the following property:~~

| | |
|-------------------|-------------------------------|
| \$ 100 | checking account |
| +1000 | restricted account |
| + 800 | savings account |
| \$1900 | Total |

(SAR) An AU of ~~three~~ two in region 1 is in a January through June SAR Period and has the following property:

| | |
|--------------|--------------------|
| \$ 100 | checking account |
| +1000 | restricted account |
| <u>+ 800</u> | savings account |
| \$ 1900 | Total |

(AR/CO) An AU of two in region 1 is in a January through December AR/CO Payment Period and has the following property:

| | |
|----------------|---------------------------|
| <u>\$ 100</u> | <u>checking account</u> |
| <u>+1000</u> | <u>restricted account</u> |
| <u>+ 800</u> | <u>savings account</u> |
| <u>\$ 1900</u> | <u>Total</u> |

- (A) The AU wants to buy new furniture and withdraws all of their funds from their accounts, including the restricted account, to pay for the purchases in May. The county determines that the AU made a nonqualifying withdrawal.
- (B) Although the AU's total property reserve prior to the nonqualifying withdrawal is under the \$2,000 property limit, the county will calculate a period of ineligibility as follows:

1. Balance prior to nonqualifying withdrawal in May \$1000
2. Divide by MBSAC for ~~32~~ (\$715968)
3. Result 1.03
4. Round down to nearest whole number 1
For number of months of ineligibility

HANDBOOK ENDS HERE

(n) Shortening The Period of Ineligibility (Continued)

.4 The home which was the usual home of an applicant/recipient who has entered into marital separation shall be treated as follows:

.41 The usual home shall be exempt in determining an applicant's eligibility for CalWORKs and for three months following the end of the month in which aid begins. (Continued)

~~.411 Section 42-213.411(QR) shall become inoperative and Section 42-213.411(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) If the exemption period ends mid quarter, the county shall not act on the information during the QR Payment Quarter. The usual home shall be used to determine eligibility for the QR Payment Quarter following the QR Payment Quarter in which the exemption period ended.~~

(SAR) If the exemption period ends mid-period, the county shall not act on the information during the SAR Payment Period. The usual home shall be used to determine eligibility for the SAR Payment Period following the SAR Payment Period in which the exemption period ended.

(AR/CO) If the exemption period ends mid-period, the county shall not act on the information during the AR/CO Payment Period. The usual home shall be used to determine eligibility for the AR/CO Payment Period following the AR/CO Payment Period in which the exemption period ended.

.42 The usual home shall be exempt in evaluating a recipient's retained property during the month of separation and for three months following the end of the month in which the separation occurs.

~~.421 Section 42-213.421(QR) shall become inoperative and Section 42-213.421(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) If the exemption period ends mid quarter, the county shall not act on the information during the QR Payment Quarter. The usual home shall be used to determine eligibility for the QR Payment Quarter following the QR Payment Quarter in which the exemption period ended.~~

(SAR) If the exemption period ends mid-period, the county shall not act on the information during the SAR Payment Period. The usual home shall be used to determine eligibility for the SAR Payment Period following the SAR Payment Period in which the exemption period ended.

(AR/CO) If the exemption period ends mid-period, the county shall not act on the information during the AR/CO Payment Period. The usual home shall be used to determine eligibility for the AR/CO Payment Period following the AR/CO Payment Period in which the exemption period ended.

.43 (Continued)

Authority cited: Sections 10553, 10554, 10604, and 11155.2, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11155, 11155.2, 11155.5, 11257, 11265.1, 11265.2, 11450, and 11450.5, Welfare and Institutions Code; Sidwell v. McMahan, United States District Court (E.D. Cal.) May 7, 1990, civil no. S-89-0445; Public Laws 97-458, 98-64, and 103-286; and Federal Action Transmittal 91-23, 45 CFR 233.20(a)(3)(i)(B); Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 42-221 to read:

42-221 TRANSFER OF PROPERTY OR INCOME (Continued)

42-221

.5 Applying the Period of Ineligibility (POI)

.51 When the family has transferred property which results in a POI, cash aid shall be discontinued and the POI begin as follows:

(a) ~~Section 42-221.51(a)(QR) shall become inoperative and Section 42-221.51(a)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The first month of the next QR Payment Quarter following the transfer and shall continue for the determined number of months of ineligibility. Any aid received by the AU during the ineligible months of the quarter is an overpayment.~~

~~(SAR) The first month of the next SAR Payment Period following the transfer and shall continue for the determined number of months of ineligibility. Any aid received by the AU during the ineligible months of the SAR Period is an overpayment.~~

(AR/CO) The first month of the next AR/CO Payment Period following the transfer and shall continue for the determined number of months of ineligibility. Any aid received by the AU during the ineligible months of the AR/CO Payment Period is an overpayment.

~~(b) Section 42-221.51(b)(QR) shall become inoperative and Section 42-221.51(b)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) When the transfer is discovered too late to discontinue for the first month of the QR Payment Quarter, the POI shall begin the first of a month within that QR Payment Quarter after timely and adequate notice is given. Any aid received by the AU during the ineligible month(s) of the current quarter is an overpayment.~~

~~(SAR) When the transfer is discovered too late to discontinue for the first month of the SAR Payment Period, the POI shall begin the first of a month within that SAR Payment Period after timely and adequate notice is given. Any aid received by the AU during the ineligible month(s) of the current SAR Payment Period is an overpayment.~~

(ARCO) When the transfer is discovered too late to discontinue for the first month of the AR/CO Payment Period, the POI shall begin the first of a month within that AR/CO Payment Period after timely and adequate notice is given. Any aid received by the AU during the ineligible month(s) of the current AR/CO Payment Period is an overpayment. (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11157.5 (Ch. 270, Stats. of 1997 and Ch. 902, Stats. of 1998), 11265.1, 11265.2, 11265.3, and 11450.5, Welfare and Institutions Code.

Amend Section 42-406 to read:

42-406 COUNTY WELFARE DEPARTMENT RESPONSIBILITY (Continued) 42-406

.2 The response to the inquiry shall include, but is not limited to, the following: (Continued)

~~.24 Section 42-406.24(QR) shall become inoperative and Section 42-406.24(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) the completion and return of QR 3 or QR 7, giving his current employment status, and all other factors normally used to compute the recipient's needs.~~

~~(SAR) the completion and return of the SAR 3 or SAR 7, giving his or her current employment status, and all other factors normally used to compute the recipient's needs.~~

(ARCO) the completion and return of the AR 3, giving his or her current employment status, and all other factors normally used to compute the recipient's needs.

.25 (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11265.2, Welfare and Institutions Code.

Amend Section 42-407 to read:

42-407 EVIDENCE OF RESIDENCE INTENTION

42-407

.1 Applicant or Recipient Physically Present in State

~~Section 42-407.1(QR) shall become inoperative and Section 42-407.1(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The written statement of the applicant or recipient is acceptable to establish his intention and action on establishing residence unless the statement is inconsistent with other statements on the SAWS 2, QR 7, or recipient mid-quarter report, or with the conduct of the person or with other information known to the county.~~

~~(SAR) The written statement of the applicant or recipient is acceptable proof to establish his or her intention of establishing residence unless the statement is inconsistent with the conduct of the person, with other information known to the county, or with other statements on the SAWS 2, SAR 7, or recipient mid-period reports.~~

.2 (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11265.2, Welfare and Institutions Code; Senate Bill (SB) 991, Chapter 1285, Statutes of 1989; and WRL vs. McMahon, Case No. 268972 (Sacramento Superior Court), October 31, 1990.

Amend Section 42-716 to read:

42-716 WELFARE-TO-WORK ACTIVITIES (Continued)

42-716

.7 Grant-based OJT (Continued)

.74 The CWD shall administer grant-based-OJT funded positions in a manner that minimizes any break in income received by the participant as a grant, or as a wage subsidized by the diverted grant and/or grant savings upon entry into, during, or upon exit from the assignment.

~~.741 Section 42-716.741(QR) shall become inoperative and Section 42-716.741(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) A grant-based OJT placement may begin mid-quarter.~~

(SAR) A grant-based OJT placement may begin mid-period. (Continued)

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 11253.5(b), 11265.1, 11265.2, 11320.3(b)(2), 11322.6, 11322.61, 11322.63, 11322.7, 11322.8, 11322.9, 11323.25, 11324.4, 11324.6(a), 11325.21(a) and (d)(1), 11325.22(b)(1), 11325.7(a), (c), (d), 11325.8(a), (c), (d), and (f), 11326, 11327.5, 11450.5, 11451.5, 11454, and 11454.2, Welfare and Institutions Code; and Section 8358(c)(2), Education Code; 7 U.S.C. 2029(a)(1); 7 U.S.C. 2035; U.S. Department of Labor guidance on FLSA, with attached U.S.D.A., Food and Nutrition Service (FNS) guidance on an SFSP, dated May 22, 1997; Simplified Food Stamp Program approval letters from FNS to implement the provisions of an SFSP, dated May 5, 2000 and August 3, 2000.

Amend Section 42-721 to read:

42-721 NONCOMPLIANCE WITH PROGRAM REQUIREMENTS (Continued) 42-721

.4 Sanctions

.41 Financial sanctions shall be applied when a non-exempt welfare-to-work participant has failed or refused to comply with program requirements without good cause and compliance efforts have failed. (Continued)

~~.412 Section 42-721.412(QR) shall become inoperative and Section 42-721.412 (SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) A financial sanction is a county-initiated mid-quarter change pursuant to Section 44-316.331(b)(QR).~~

(SAR) A financial sanction is a county-initiated mid-period change pursuant to Section 44-316.331(b)(SAR).

.42 (Continued)

.48 The CWD shall restore aid: (Continued)

~~.483 Section 42-721.483(QR) shall become inoperative and Section 42-721.483 (SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Restoration of aid due to the noncomplying participant performing the activities he or she previously refused to perform, in accordance with Sections 42-721.43 and 44-318.13(QR), is a county-initiated mid-quarter change pursuant to Section 44-316.331(e)(QR).~~

(SAR) Restoration of aid due to the noncomplying participant performing the activities he or she previously refused to perform, in accordance with Sections 42-721.43 and 44-318.13(SAR), is a county-initiated mid-period change pursuant to Section 44-316.331(c)(SAR). (Continued)

.49 The CWD shall grant aid:

.491 On the first day of the month following the date that the individual contacted the county to indicate his or her desire to end the sanction, once the activities in accordance with Section 42-721.43 have been successfully completed, if the individual applies for aid, is determined to be in compliance with program requirements, and is otherwise eligible.

HANDBOOK BEGINS HERE

~~Handbook Section 42 721.491(a)(QR) shall become inoperative and Handbook Section 42 721.491(a)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) (a) Example: An individual who was sanctioned and left aid with his family after failing to participate in vocational education contacts the CWD on July 1 to reapply for aid. His family is determined eligible for aid on July 5 and aid is granted to the family as of July 5; before aid can be granted for the sanctioned individual he must cure his sanction. The individual signs his curing plan on July 5, participates in a vocational education program for 30 days, and successfully cures his sanction on August 3. If the individual is otherwise eligible, his cash aid is granted back to August 1 as a county initiated mid quarter change pursuant to Section 44-316.331(e)(QR).~~

(SAR) (a) Example: An individual who was sanctioned and left aid with his family after failing to participate in vocational education contacts the CWD on July 1 to reapply for aid. His family is determined eligible for aid on July 5 and aid is granted to the family as of July 5; before aid can be granted for the sanctioned individual he must cure his sanction. The individual signs his curing plan on July 5, participates in a vocational education program for 30 days, and successfully cures his sanction on August 3. If the individual is otherwise eligible, his cash aid is granted back to August 1 as a county-initiated mid-period change pursuant to Section 44-316.331(c)(SAR).

HANDBOOK ENDS HERE

.5 (Continued)

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 11203, 11265.2, 11320, 11320.31, 11322.9, 11324.8(d), 11327.4, 11327.5(a) through (e), 11327.6, 11327.8, 11327.9, 11328.2, 11333.7, 11454, 11454.2, and 16501.1(d), (e), (f), and (g), Welfare and Institutions Code

Amend Section 42-751 to read:

42-751 UNDERPAYMENTS AND OVERPAYMENTS FOR TRANSPORTATION 42-751
AND ANCILLARY SUPPORT SERVICES (Continued)

.4 Collection of Overpayments (Continued)

(e) Reasonable efforts shall include written notification of the amount of the overpayment and that repayment is required. The following are reasonable cost-effective collection methods: (Continued)

(4) ~~Section 42-751.4(e)(4)(QR) shall become inoperative and Section 42-751.4(e)(4)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Recoupment by grant adjustment shall be conducted in accordance with Section 44-352.41(QR).~~

(SAR) Recoupment by grant adjustment shall be conducted in accordance with Section 44-352.41(SAR).

(f) (Continued)

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10063, 11004(g), (h), (i), (k), and (l), 11265.2, and 11323.4(b), Welfare and Institutions Code.

Amend Section 44-769 to read:

42-769 APPLICATION OF BONUSES AND SANCTIONS (Continued) 42-769

.5 ~~Section 42-769.5(QR) shall become inoperative and Section 42-769.5(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR)~~ ~~Treatment of Bonuses and Sanctions as County-Initiated Mid-Quarter Actions~~

~~(QR)~~ ~~Cal-Learn bonuses and sanctions are considered county-initiated mid-quarter actions as described in Section 44-316.33(QR).~~

~~(SAR)~~ ~~Treatment of Bonuses and Sanctions as County-Initiated Mid-Period Actions~~

~~(SAR)~~ ~~Cal-Learn bonuses and sanctions are considered county-initiated mid-period actions as described in Section 44-316.33(SAR).~~

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10063, 11265.2, and 11333.7(a) and (d), Welfare and Institutions Code; Section 37 of AB 444 (Chapter 1022, Statutes of 2002); 45 CFR 250.40(a); Federal Waiver Terms and Conditions for the California Work Pays Demonstration Project, March 1994, and Waiver Authority for the California Work Pays Demonstration Project as transmitted by the United States Department of Health and Human Services Administration for Children and Families letter dated March 1, 1994.

Amend Section 44-101 to read:

44-101 INCOME DEFINITIONS

44-101

(a) ~~Section 44-101(a)(QR) shall become inoperative and Section 44-101(a)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Income, generally, is any benefit in cash or in-kind which is reasonably anticipated to be available to the individual or is received by him as a result of current or past labor or services, business activities, interests in real or personal property, or as a contribution from persons, organizations or assistance agencies. To be considered in determining the cash aid payment, income must be reasonably anticipated to be available to needy members of the family in meeting their needs during the QR Payment Quarter. Subject to this limitation and the exemptions and exclusions, as specified in Section 44-111 of this chapter, such benefits are taken into consideration as income in evaluating the need of the recipient and in determining the amount of cash aid to which the recipient is entitled.~~

(SAR) Income, generally, is any benefit in cash or in-kind which is reasonably anticipated to be available to the individual or is received by him/her as a result of current or past labor or services, business activities, interests in real or personal property, or as a contribution from persons, organizations or assistance agencies. To be considered in determining the cash aid payment, income must be reasonably anticipated to be available to needy members of the family in meeting their needs during the SAR Payment Period. Subject to this limitation and the exemptions and exclusions, as specified in Section 44-111 of this chapter, such benefits are taken into consideration as income in evaluating the need of the recipient and in determining the amount of cash aid to which the recipient is entitled.

(ARCO) Income, generally, is any benefit in cash or in-kind which is reasonably anticipated to be available to the individual or is received by him/her as a result of current or past labor or services, business activities, interests in real or personal property, or as a contribution from persons, organizations or assistance agencies. To be considered in determining the cash aid payment, income must be reasonably anticipated to be available to needy members of the family in meeting their needs during the AR/CO Payment Period. Subject to this limitation and the exemptions and exclusions, as specified in Section 44-111 of this chapter, such benefits are taken into consideration as income in evaluating the need of the recipient and in determining the amount of cash aid to which the recipient is entitled.

(b) Separate and Community Income

(1) Separate income is: (Continued)

~~(D) Section 44-101(b)(1)(D)(QR) shall become inoperative and Section 44-101(b)(1)(D)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Funds awarded a married person from his/her spouse in a civil action for personal injuries are considered that spouse's separate income during the month of receipt, and separate property if retained past the month of receipt. If these funds are paid as a nonrecurring lump sum payment, then the funds shall be treated as property in accordance with Section 42-209.2(QR).~~

(SAR) Funds awarded a married person from his/her spouse in a civil action for personal injuries are considered that spouse's separate income during the month of receipt, and separate property if retained past the month of receipt. If these funds are paid as a nonrecurring lump sum payment, then the funds shall be treated as property in accordance with Section 42-209.2(SAR).

(2) Community income is: (Continued)

~~(C) Section 44-101(b)(2)(C)(QR) shall become inoperative and Section 44-101(b)(2)(C)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Funds awarded a married person in a civil action for personal injuries are considered community income during the month of receipt and community property if retained past the month of receipt except as provided in Section 44-101(b)(1)(D)(QR), 42-203.5, and 42-205.3. If these funds are paid as a nonrecurring lump sum payment, then the funds shall be treated as property in accordance with Section 42-209.2(QR).~~

(SAR) Funds awarded a married person in a civil action for personal injuries are considered community income during the month of receipt and community property if retained past the month of receipt except as provided in Section 44-101(b)(1)(D)(SAR), 42-203.5, and 42-205.3. If these funds are paid as a nonrecurring lump sum payment, then the funds shall be treated as property in accordance with Section 42-209.2(SAR).

(c) Reasonably Anticipated Income

~~(1) Section 44-101(e)(1)(QR) shall become inoperative and Section 44-101(e)(1)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Income is reasonably anticipated when the county determines it is reasonably certain that the recipient will receive a specified amount of income during any month of the QR Payment Quarter. This definition applies to both earned and unearned income. See Section 44-315.31(QR).~~

(SAR) Income is reasonably anticipated when the county determines it is reasonably certain that the recipient will receive a specified amount of monthly income during the SAR Payment Period. This definition applies to both earned and unearned income. See Section 44-315.31(SAR).

(ARCO) Income is reasonably anticipated when the county determines it is reasonably certain that the recipient will receive a specified amount of monthly income during the AR/CO Payment Period. This definition applies to both earned and unearned income. See Section 44-315.31(AR/CO).

(d) (Continued)

(f) Disability-Based Unearned Income

(1) Disability-based unearned income is income received only from one or more of the following: (Continued)

(E) Veterans Disability Compensation benefits.

(g) (Continued)

(l) Lump Sum Income

Lump sum income is any income received by an AU which is not recurring regular income. Lump sum income is usually nonrecurring in regard to amount and/or source. Lump sum income includes but is not limited to the following: retroactive social insurance payments, real estate commissions such as from sales, income from freelance work, net proceeds from sale of a crop and bonuses.

~~(1) Section 44-101(1)(1)(QR) shall become inoperative and Section 44-101(1)(1)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Lump sum nonrecurring payments are considered property under the quarterly reporting/prospective budgeting system (see Section 42-209.2(QR)).~~

(SAR) Lump sum nonrecurring payments are considered property under the semi-annual reporting system (see Section 42-209.2(SAR)).

(ARCO) Lump sum nonrecurring payments are considered property under the annual reporting system (see Section 42-209.2).

(m) Income Reporting Threshold (IRT)

- (1) ~~Section 44-101(m)(1)(QR) shall become inoperative and Section 44-101(m)(1)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- ~~(QR)~~ The level of income that triggers the need for a CalWORKs AU to report a mid-quarter change in income.
- ~~(SAR)~~ The level of income that triggers the need for a CalWORKs AU to report a mid-period change in income (see Section 44-316.324~~(SAR)~~).

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11265.1, 11265.2, 11265.3, 11265.46, 11265.47, 11450.5, and 11451.5 ~~(Ch. 270, Stats. 1997)~~, Welfare and Institutions Code; Federal Action Transmittal ACF-AT-94-12; 45 CFR 233.20(a)(6)(iii); 45 CFR 233.20(a)(6)(v)(B); Sallis v. McMahon, Sacramento County Superior Court, case no. 364308, January 30, 1991 and 45 CFR 233.20(a)(3)(iv)(B) and (a)(4)(ii)(d).

Amend Section 44-102 to read:

44-102 AVAILABILITY OF INCOME

44-102

.1 ~~Section 44-102.1(QR) shall become inoperative and Section 44-102.1(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) All reasonably anticipated income shall be considered to be available to meet the needs of the AU during the QR Payment Quarter and shall be considered when determining eligibility and grant amount, except:~~

(SAR) All reasonably anticipated income shall be considered to be available to meet the needs of the AU during the SAR Payment Period and shall be considered when determining eligibility and grant amount, except:

(AR/CO) All reasonably anticipated income shall be considered to be available to meet the needs of the AU during the AR/CO Payment Period and shall be considered when determining eligibility and grant amount, except:

.11 (Continued)

.14 ~~Section 44-102.14(QR) shall become inoperative and Section 44-102.14(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) MONTHLY RECURRING UNEARNED GOVERNMENTAL BENEFITS - Monthly benefits (e.g., Social Security benefits, or Veterans benefits, etc.) shall be considered to be available in the month the payment is reasonably anticipated to be received or is intended for (see Section 44-315.31(QR)), when the income meets the following criteria:~~

(SAR) MONTHLY RECURRING UNEARNED GOVERNMENTAL BENEFITS - Monthly benefits (e.g., Social Security benefits, or Veterans benefits, etc.) shall be considered to be available in the month the payment is reasonably anticipated to be received or is intended for (see Section 44-315.31(SAR)), when the income meets the following criteria:

(AR/CO) MONTHLY RECURRING UNEARNED GOVERNMENTAL BENEFITS - Monthly benefits (e.g., Social Security benefits, or Veterans benefits, etc.) shall be considered to be available in the month the payment is reasonably anticipated to be received or is intended for (see Section 44-315.31(AR/CO)), when the income meets the following criteria:

.141 (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11157 (Ch. 270, Stats. 1997), 11265.2, and 11450.5, Welfare and Institutions Code.

Amend Section 44-111 to read:

44-111 PAYMENTS EXCLUDED OR EXEMPT FROM CONSIDERATION 44-111
AS INCOME (Continued)

.2 Exemption of Earned Income (Continued)

.23 \$225/~~412~~ 225 and 50% Disregards

.231 A family shall have \$225 of disability-based unearned income (DBI) and up to ~~\$412~~ 225 of any ~~earned income and~~ unused amount of the DBI disregard plus 50% of any remaining earned income disregarded as income. These disregards are applied as follows and subject to the method outlined in Section 44-113.2. If the disability-based unearned income is:

- (a) Greater than \$225, the difference is added to any other nonexempt income.
- (b) Less than \$225, up to ~~\$412~~ 225 of the remaining disregard is subtracted from any earned income.
- (c) Zero, ~~\$412~~ 225 is applied against any earned income. (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code; SB 72 (Chapter 8, Statutes of 2011), Section 42.

Reference: Sections 10553, 10554, 11008.15, 11265.2, 11280, 11322.6(f)(3), 11157, 11450.5, 11450.12, 11451.5, and 11451.7, Welfare and Institutions Code; 42 USC Section 602(g)(1)(E)(i); Section 8, Public Law 93-134; Section 2, Public Law 98-64; Section 13736, Public Law 103-66; Section 1, Public Law 100-286, Section 202(a), Public Law 100-485 and 20 USC 1087uu; 45 CFR 233.20(a)(3)(iv)(B), (a)(3)(xxi), 45 CFR 233.20(a)(4)(ii); (a)(4)(ii)(d); 45 CFR 233.20(a)(4)(ii)(p) and (q); 45 CFR 233.20(a)(11)(v)(C); 45 CFR 255.3(f)(1); 45 CFR 400.66; 45 CFR 401.12; Federal Action Transmittals ACF-AT-94-27 and 94-4 and FSA-IM-89-1; 45 CFR 233.20(a)(1)(ii); 45 CFR 233.20(a)(3)(x); and Cadaret v. Wagner (Super. Ct. Sacramento County, 2011, No. 34-2009-80000302, Stipulation for Settlement and Order)

Amend Section 44-113 to read:

44-113 NET INCOME (Continued)

44-113

.2 Earnings

.21 Computation of Net Nonexempt Earned Income for CalWORKs

To determine the amount of Net Nonexempt Earned Income for the month, the following steps shall be taken:

~~.211 Section 44-113.211(QR) shall become inoperative and Section 44-113.211(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Determine the total amount of commissions, wages or salary earned as an employee that the AU reasonably anticipates receiving (see Section 44-101(c)(1)(QR)) during each month of the QR Payment Quarter (i.e., total income irrespective of expenses, voluntary or involuntary deductions). To determine total earnings for each month, some earnings may have to be allocated to each month pursuant to Section 44-102. Also, the monetary value of any in-kind earned income per Section 44-115 shall be included. Do not include earnings exempted in entirety under Section 44-111.22.~~

(SAR) Determine the total amount of commissions, wages or salary earned as an employee that the AU received in the Data Month and any reasonably anticipated (see Section 44-101(c)(1)(SAR)) changes to this income in the next SAR Payment Period (i.e., total income irrespective of expenses, voluntary or involuntary deductions). Also, the monetary value of any in-kind earned income per Section 44-115 shall be included. Do not include earnings exempted in entirety under Section 44-111.22.

(AR/CO) Determine the total amount of commissions, wages or salary earned as an employee that the AU received in the Data Month and any reasonably anticipated (see Section 44-101(c)(1)(AR/CO)) changes to this income in the next AR/CO Payment Period (i.e., total income irrespective of expenses, voluntary or involuntary deductions). Also, the monetary value of any in-kind earned income per Section 44-115 shall be included. Do not include earnings exempted in entirety under Section 44-111.22.

~~.212 Section 44-113.212(QR) shall become inoperative and Section 44-113.212(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Determine the total profit reasonably anticipated to be earned from self-employment during each month of the QR Payment Quarter by an applicant/recipient whose earnings are not exempted under Section 44-111.22 by offsetting the reasonably anticipated monthly business expenses against the reasonably anticipated monthly gross income from self-employment. When the computation of total profit earned in a month from self-employment disclosed shows that a loss has occurred, earned income from self-employment for that month shall be zero. No additional offset shall be allowed against the family's other income.~~

(SAR) Determine the total monthly profit reasonably anticipated to be earned from self-employment by an applicant/recipient whose earnings are not exempted under Section 44-111.22 by offsetting the Data Month business expenses against the Data Month gross income from self-employment. When the computation of total profit earned in a month from self-employment disclosed shows that a loss has occurred, earned income from self-employment for that month shall be zero. No additional offset shall be allowed against the family's other income. Unless the recipient reasonably anticipates a change, use this income amount to calculate the grant for the upcoming SAR Payment Period.

(AR/CO) Determine the total monthly profit reasonably anticipated to be earned from self-employment by an applicant/recipient whose earnings are not exempted under Section 44-111.22 by offsetting the Data Month business expenses against the Data Month gross income from self-employment. When the computation of total profit earned in a month from self-employment disclosed shows that a loss has occurred, earned income from self-employment for that month shall be zero. No additional offset shall be allowed against the family's other income. Unless the recipient reasonably anticipates a change, use this income amount to calculate the grant for the upcoming AR/CO Payment Period.

(a) (Continued)

~~.213 Section 44-113.213(QR) shall become inoperative and Section 44-113.213(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Combine the total monthly earnings for the family determined in Section 44-113.211(QR) with the monthly net self-employment income determined in Section 44-113.212(QR).~~

(SAR) Combine the total monthly earnings for the family determined in Section 44-113.211(SAR) with the monthly net self-employment income determined in Section 44-113.212(SAR).

(AR/CO) Combine the total monthly earnings for the family determined in Section 44-113.211(AR/CO) with the monthly net self-employment income determined in Section 44-113.212(AR/CO).

.214 (Continued)

~~.215 Section 44-113.215(QR) shall become inoperative and Section 44-113.215(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Apply up to \$112 of the remainder of the \$225 disability-based unearned income disregard to the reasonably anticipated total monthly earned income for the family as determined in Section 44-113.213(QR).~~

(SAR) Apply up to \$~~112~~ 225 of the remainder of the \$225 disability-based unearned income disregard to the reasonably anticipated total monthly earned income for the family as determined in Section 44-113.213(SAR).

(AR/CO) Apply up to \$225 of the remainder of the \$225 disability-based unearned income disregard to the reasonably anticipated total monthly earned income for the family as determined in Section 44-113.213(AR/CO).

.216 (Continued)

.218 Add together the amounts remaining after application of the above sections for each recipient. This total is net nonexempt earned income for the FBU.

HANDBOOK BEGINS HERE

~~.22 Section 44-113.22(QR) shall become inoperative and Section 44-113.22(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Net Nonexempt Income Computation~~

~~Example 1~~

~~A nonexempt AU of three (a parent and two children) has gross monthly earned income of \$775 per month, with no other income. The monthly income is~~

~~reasonably anticipated to continue at the same amount for the QR Payment Quarter. The family lives in Region 1.~~

| | |
|-------------------|--|
| \$ 775 | Earned Income |
| - 112 | \$112 Earned Income Disregard |
| \$ 663 | Subtotal |
| - 331 | 50% Earned Income Disregard* |
| \$ 331 | Total Net Nonexempt Income* |

~~* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP 44-315.34.~~

(SAR) Net Nonexempt Income Computation

Example 1

A nonexempt AU of three (a parent and two children) in Region 1 reports receiving gross monthly earned income of \$775 per month in the Data Month, and no other income. The Data Month income is reasonably anticipated to continue at the same amount for the SAR Payment Period.

| | |
|-------------------|---|
| \$ 775 | Earned Income |
| - <u>112 225</u> | <u>\$112 225 Earned Income Unused DBI Disregard</u> |
| \$ <u>663 550</u> | Subtotal |
| - <u>331 275</u> | 50% Earned Income Disregard* |
| \$ <u>331 275</u> | Total Net Nonexempt Income* |

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP 44-315.34.

(ARCO) Net Nonexempt Income Computation

Example 1

A nonexempt AU of three (timed out mother and three children) in Region 1 reports receiving gross monthly earned income of \$775 per month in the Data Month, and no other income. The Data Month income is reasonably anticipated to continue at the same amount for the AR/CO Payment Period.

| | |
|---------------|-------------------------------------|
| <u>\$ 775</u> | <u>Earned Income</u> |
| <u>- 225</u> | <u>\$ 225 Unused DBI Disregard</u> |
| <u>\$ 550</u> | <u>Subtotal</u> |
| <u>- 275</u> | <u>50% Earned Income Disregard*</u> |
| <u>\$ 275</u> | <u>Total Net Nonexempt Income*</u> |

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP 44-315.34.

HANDBOOK ENDS HERE

.3 Net Income from Social Security, Railroad Retirement Benefits and Other Pensions

~~.31 Section 44-113.31(QR) shall become inoperative and Section 44-113.31(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Net income from Social Security or from Railroad Retirement Benefits is the amount reasonably anticipated to be paid to or on behalf of a member of the assistance unit in the QR Payment Quarter except:~~

~~(SAR) Net income from Social Security or from Railroad Retirement Benefits is the amount determined to be paid to or on behalf of a member of the assistance unit in the SAR Payment Period except:~~

~~(ARCO) Net income from Social Security or from Railroad Retirement Benefits is the amount determined to be paid to or on behalf of a member of the assistance unit in the AR/CO Payment Period except:~~

.311 (Continued)

~~.32 Section 44-113.32(QR) shall become inoperative and Section 44-113.32(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Net income from other types of pensions and similar sources is the amount reasonably anticipated to be received in the QR Payment Quarter or, if the individual is required to pay income tax on such income or has other required expenses in receiving such income, net income is the amount received less these expenses.~~

~~(SAR) Net income from other types of pensions and similar sources is the amount reasonably anticipated for the SAR Payment Period or, if the individual is required to pay income tax on such income or has other required expenses in receiving such income, net income is the amount received less these expenses.~~

~~(ARCO) Net income from other types of pensions and similar sources is the amount reasonably anticipated for the AR/CO Payment Period or, if the individual is required to pay income tax on such income or has other required expenses in receiving such income, net income is the amount received less these expenses.~~

.4 Unrelated Adults, Including Unrelated Adult Males, Living in the Home

.41 Net income to the Family Budget Unit (FBU) from an unrelated adult living in the home including an Unrelated Adult Male (UAM) is the sum of:

~~.411 Section 44-113.411(QR) shall become inoperative and Section 44-113.411(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) cash reasonably anticipated to be given to the AU in the QR Payment Quarter which is available to meet the needs of the AU and:~~

~~(SAR) cash reasonably anticipated to be given to the AU in the SAR Payment Period which is available to meet the needs of the AU and:~~

~~(AR/CO) cash reasonably anticipated to be given to the AU in the AR/CO Payment Period which is available to meet the needs of the AU and:~~

~~.412 Section 44-113.412(QR) shall become inoperative and Section 44-113.412(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) the value of full items of need reasonably anticipated to be provided in-kind to the AU in the QR Payment Quarter. An item is not considered to be provided in-kind to the AU if the AU is receiving this full item of need in exchange for the AU providing the UAM with a different item. For example, if a UAM and a CalWORKs mother agree that he will pay the rent if she pays their food and utilities, the AU is not receiving in-kind income for housing.~~

~~(SAR) the value of full items of need reasonably anticipated to be provided in-kind to the AU in the SAR Payment Period. An item is not considered to be provided in-kind to the AU if the AU is receiving this full item of need in exchange for the AU providing the UAM with a different item. For example, if a UAM and a CalWORKs mother agree that he will pay the rent if she pays their food and utilities, the AU is not receiving in-kind income for housing.~~

~~(AR/CO) the value of full items of need reasonably anticipated to be provided in-kind to the AU in the AR/CO Payment Period. An item is not considered to be provided in-kind to the AU if the AU is receiving this full item of need in exchange for the AU providing the UAM with a different item. For example, if a UAM and a CalWORKs mother agree that he will pay the rent if she pays their food and utilities, the AU is not receiving in-kind income for housing.~~

~~.42 Section 44-113.42(QR) shall become inoperative and Section 44-113.42(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Cash that is reasonably anticipated to be given to the AU in the QR Payment Quarter does not include:~~

~~(SAR) Cash that is reasonably anticipated to be given to the AU in the SAR Payment Period does not include:~~

~~(ARCO) Cash that is reasonably anticipated to be given to the AU in the AR/CO Payment Period does not include:~~

.421 (Continued)

~~.5 Section 44-113.5(QR) shall become inoperative and Section 44-113.5(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Child/spousal support which is reasonably anticipated to be paid during the QR Payment Quarter to the AU by the absent parent and not forwarded to the county shall be considered available income except as specified in Section 44-111.47.~~

~~(SAR) Child/spousal support which is reasonably anticipated to be paid during the SAR Payment Period to the AU by the absent parent and not forwarded to the county shall be considered available income except as specified in Section 44-111.47.~~

~~(ARCO) Child/spousal support which is reasonably anticipated to be paid during the AR/CO Payment Period to the AU by the absent parent and not forwarded to the county shall be considered available income except as specified in Section 44-111.47.~~

.6 Refunds of Retirement Contributions

~~.61 Section 44-113.61(QR) shall become inoperative and Section 44-113.61(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the Director's SAR Declaration.~~

~~(QR) Nonrecurring lump sum refunds of the employer's share of retirement contributions shall be treated as property (see Section 42-209.2(QR)).~~

~~(SAR) Nonrecurring lump sum refunds of the employer's share of retirement contributions shall be treated as property (see Section 42-209.2(SAR)).~~
(Continued)

~~.62 Section 44-113.62(QR) shall become inoperative and Section 44-113.62(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Recurring interest earned on accumulated retirement contributions shall be treated as income in the month it is reasonably anticipated to be received. If the interest payment is nonrecurring, it shall be treated as property (see Section 42-209.2(QR)).~~

~~(SAR) Recurring interest earned on accumulated retirement contributions shall be treated as income in the month it is reasonably anticipated to be received. If the interest payment is nonrecurring, it shall be treated as property (see Section 42-209.2(SAR)). (Continued)~~

.8 Income from Payments Which Include Compensation for Converted Property (see Section 44-105)

~~Section 44-113.8(QR) shall become inoperative and Section 44-113.8(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) That portion of a payment defined in Section 44-105.3 which exceeds the value of the converted property and is recurring in nature is income. If that portion of the payment that is to be received is nonrecurring it shall be treated as property (see Section 42-209.2(QR)).~~

~~(SAR) That portion of a payment defined in Section 44-105.3 which exceeds the value of the converted property and is recurring in nature is income. If that portion of the payment that is to be received is nonrecurring it shall be treated as property (see Section 42-209.2 (SAR)). (Continued)~~

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code; SB 72 (Chapter 8, Statutes of 2011), Section 42.

Reference: Sections 10063, 10553, 10554, 10790, 10791, 11008, 11008.19, 11017, 11155.3, 11157, 11265.1, 11265.2, 11265.3, 11450, 11450.5, 11450.12, and 11451.5, 11453, Welfare and Institutions Code; 45 CFR 233.10; 45 CFR 233.20(a)(3)(ii)(C); 45 CFR 233.20(a)(3)(vi)(A); 45 CFR 233.20(a)(6)(v)(B); 45 CFR 255.3; 45 CFR 233.20(a)(3)(iv)(B); 45 CFR 233.20(a)(3)(xxi); 45 CFR 233.20(a)(4)(ii)(d); 45 CFR 233.20(a)(4)(ii)(p); Darces v. Woods (1984) 35 Cal. 3d 871; and Ortega v. Anderson, Case No. 746632-0 (Alameda Superior Court) July 11, 1995.

Amend Section 44-115 to read:

44-115 EVALUATION OF INCOME IN-KIND (Continued)

44-115

.1 Free Board and Lodging Received During Temporary Absence from Home (Continued)

.12 Absence Exceeds One Month

~~Section 44-115.12(QR) shall become inoperative and Section 44-115.12(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) After an absence of one month, free board and lodging, i.e., food, shelter and utilities reasonably anticipated to be received during the QR Payment Quarter, shall be considered income, but only to the extent that continuing allowances in the grant for these items exceed the cost to the recipient of maintaining the home to which he/she expects to return. (Welfare and Institutions Code Section 11009.1.)~~

(SAR) After an absence of one month, free board and lodging, i.e., food, shelter and utilities reasonably anticipated to be received during the SAR Payment Period, shall be considered income, but only to the extent that continuing allowances in the grant for these items exceed the cost to the recipient of maintaining the home to which he/she expects to return. (Welfare and Institutions Code Section 11009.1.)

(ARCO) After an absence of one month, free board and lodging, i.e., food, shelter and utilities reasonably anticipated to be received during the AR/CO Payment Period, shall be considered income, but only to the extent that continuing allowances in the grant for these items exceed the cost to the recipient of maintaining the home to which he/she expects to return. (Welfare and Institutions Code Section 11009.1.)

.2 Nonneedy Relatives (Continued)

Authority cited: Sections 10553, 10554, 11450, 11452.018, and 11453, Welfare and Institutions Code.

Reference: Sections 11265.8, 11253.5, 11265.2, 11450, 11450.015, 11450.4(c), 11450.5, 11452, 11452.018, 11453, and 11486, Welfare and Institutions Code; and Federal Terms and Conditions for the California Assistance Payments Demonstration Project as approved by the United States Department of Health and Human Services on October 30, 1992.

Amend Section 44-133 to read:

44-133 TREATMENT OF INCOME – CALWORKS (Continued) 44-133

.5 Income and Needs in Cases in Which a Person is Excluded (Continued)

HANDBOOK BEGINS HERE

.54 The following examples are provided to illustrate how to determine financial eligibility for the family in accordance with Sections 44-207.1 and .2 and the aid payment computation in accordance with Section 44-315.

(SAR) Example 1: Family with No Ineligible Non-Citizen Members

Applicant applies on behalf of herself and her two dependent children. Also living in the home is a stepparent and his separate child. Stepparent earns \$1000 2,000 per month from full-time employment. Mother receives \$300 per month in State Disability Insurance benefits. No other income is received by family members. The AU resides in Region 1 and is eligible for Exempt MAP.

Applicant Eligibility Determination:

| | |
|-------------------------------|---|
| \$2000 | Earned Income |
| <u>- 90</u> | \$90 Earned Income Disregard |
| \$1,910 | Net Nonexempt Earned Income |
| <u>+\$300</u> | Disability-Based Income (Not subject to \$225 Disregard at application) |
| \$2210 | Total Net Nonexempt Income |
| \$1584 <u>1626</u> | MBSAC for Five (Includes AU and Non-AU Family Members) |

Family is ineligible for CalWORKs (Net Nonexempt Income exceeds the MBSAC for Five).

(ARCO) Example 1: Family with No Ineligible Non-Citizen Members

Timed out applicant mother applies on behalf of her three dependent children. Also living in the home is a stepparent and his separate child. Stepparent earns \$2000 per month from full-time employment. Mother receives \$300 per month in State Disability Insurance benefits. No other income is received by family members. The AU resides in Region 1 and is eligible for Exempt MAP.

Applicant Eligibility Determination:

| | |
|----------------|--|
| <u>\$2000</u> | <u>Earned Income</u> |
| <u>- 90</u> | <u>\$90 Earned Income Disregard</u> |
| <u>\$ 1910</u> | <u>Net Nonexempt Earned Income</u> |
| <u>+\$300</u> | <u>Disability-Based Income (Not subject to \$225 Disregard at application)</u> |
| <u>\$2210</u> | <u>Total Net Nonexempt Income</u> |
| | |
| <u>\$1626</u> | <u>MBSAC for Five (Includes AU and Non-AU Family Members)</u> |

Family is ineligible for CalWORKs (Net Nonexempt Income exceeds the MBSAC for Five).

~~Handbook Section 44-133.54(QR), Examples 2 and 3 shall become inoperative and Handbook Section 44-133.54(SAR), Examples 2 and 3 shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Example 2: Family with Ineligible Non-Citizen Members and Stepparent with No Income~~

~~Mother of two children has earnings of \$600 per month and the income is reasonably anticipated to continue at this amount for the QR Payment Quarter. One of the children is her citizen child and the other is her ineligible non-citizen child with deprivation. Mother receives direct child support in the amount of \$85 per month for the ineligible non-citizen child. Also in the home is the ineligible non-citizen spouse of the mother. The spouse does not have any income. The family lives in Region 1 and does not have exempt status.~~

Applicant Eligibility Determination

| | |
|-------------------|---|
| \$ 600 | Actual Earned Income of Mother |
| — 90 | Applicant Earned Income Disregard |
| \$ 510 | Subtotal |
| + 85 | Unearned Income of Ineligible Non-Citizen Child |
| \$ 595 | Total Net Nonexempt Income |
| | |
| \$ 595 | Total NNI is less than the \$1,347 Region 1 Nonexempt Family MBSAC for four, family passes applicant test. |

Recipient Financial Eligibility Test

| | |
|-----------------------|---|
| \$ 600 | Monthly Earned Income of Mother |
| <u>112</u> | \$112 Earned Income Disregard |
| \$ 488 | Subtotal |
| <u>244</u> | 50% Earned Income Disregard |
| \$ 244 | Net Nonexempt Earned Income |
| <u>85</u> | Unearned Income of Ineligible Non-Citizen Child |
| \$ 329 | Total Net Nonexempt Income (rounded down) |
| | |
| \$ 329 | Total NNI is less than \$762 Region 1, Nonexempt Family MAP for four, family passes recipient financial eligibility test |

Grant Computation

| | |
|-----------------------|---|
| \$ 762 | Region 1, Nonexempt Family MAP for Four |
| <u>329</u> | Total Net Nonexempt Income |
| \$ 433 | Potential Grant |
| | |
| \$ 516 | MAP for AU of Two (includes mother and citizen child) |
| | |
| \$ 433 | Aid Payment is the Lesser of the Potential Grant or MAP for the AU |

(SAR) Example 2: Family with Ineligible Non-Citizen Members and Stepparent with No Income

Mother of two children has earnings of \$600 per month and the income is reasonably anticipated to continue at this amount for the SAR Payment Period. One of the children is her citizen child and the other is her ineligible non-citizen child with deprivation. Mother receives direct child support in the amount of \$85 per month for the ineligible non-citizen child. Also in the home is the ineligible non-citizen spouse of the mother. The spouse does not have any income. The family lives in Region 1 and does not have exempt status.

Applicant Eligibility Determination

| | |
|-----------|---|
| \$ 600 | Actual Earned Income of Mother |
| <u>90</u> | Applicant Earned Income Disregard |
| \$ 510 | Subtotal |
| <u>85</u> | Unearned Income of Ineligible Non-Citizen Child |
| \$ 595 | Total Net Nonexempt Income |

\$ 595 Total NNI is less than the ~~\$1,387~~ 1,424 Region 1 Nonexempt Family MBSAC for four, family passes applicant test.

Recipient Financial Eligibility Test

\$ 600 Monthly Earned Income of Mother
~~- 112 225~~ \$112 225 ~~Earned Income~~ Unused DBI Disregard
 \$ 488 375 Subtotal
~~- 244 187~~ 50% Earned Income Disregard
 \$ 244 187 Net Nonexempt Earned Income
 + 85 Unearned Income of Ineligible Non-Citizen Child
 \$ 329 272 Total Net Nonexempt Income (rounded down)

\$ 329 272 Total NNI is less than ~~\$762~~ 800 Region 1, Nonexempt Family MAP for four, family passes recipient financial eligibility test

Grant Computation

\$ ~~762~~ 800 Region 1, Nonexempt Family MAP for Four
~~—329 272~~ Total Net Nonexempt Income
 \$ 433 528 Potential Grant

 \$ 516 542 MAP for AU of Two (includes mother and citizen child)

 \$ 433 528 Aid Payment is the Lesser of the Potential Grant or MAP for the AU

(ARCO) Example 2: Family with Ineligible Non-Citizen Members and Stepparent with No Income

Timed out mother of three children has earnings of \$600 per month and the income is reasonably anticipated to continue at this amount for the AR/CO Payment Period. Two of the children are her citizen children and the other is her ineligible non-citizen child with deprivation. Mother receives direct child support in the amount of \$85 per month for the ineligible non-citizen child. Also in the home is the ineligible non-citizen spouse of the mother. The spouse does not have any income. The family lives in Region 1 and does not have exempt status.

Applicant Eligibility Determination

\$ 600 Actual Earned Income of Mother
~~- 90~~ Applicant Earned Income Disregard
 \$ 510 Subtotal
 + 85 Unearned Income of Ineligible Non-Citizen Child

| | |
|---------------|---|
| <u>\$ 595</u> | <u>Total Net Nonexempt Income</u> |
| <u>\$ 595</u> | <u>Total NNI is less than the \$1,424 Region 1 Nonexempt Family MBSAC for four, family passes applicant test.</u> |

Recipient Financial Eligibility Test

| | |
|---------------|--|
| <u>\$ 600</u> | <u>Monthly Earned Income of Mother</u> |
| <u>- 225</u> | <u>\$225 Unused DBI Disregard</u> |
| <u>\$ 375</u> | <u>Subtotal</u> |
| <u>- 187</u> | <u>50% Earned Income Disregard</u> |
| <u>\$ 187</u> | <u>Net Nonexempt Earned Income</u> |
| <u>+ 85</u> | <u>Unearned Income of Ineligible Non-Citizen Child</u> |
| <u>\$ 272</u> | <u>Total Net Nonexempt Income (rounded down)</u> |

| | |
|---------------|---|
| <u>\$ 272</u> | <u>Total NNI is less than \$800 Region 1, Nonexempt Family MAP for four, family passes recipient financial eligibility test</u> |
|---------------|---|

Grant Computation

| | |
|---------------|--|
| <u>\$ 800</u> | <u>Region 1, Nonexempt Family MAP for Four</u> |
| <u>- 272</u> | <u>Total Net Nonexempt Income</u> |
| <u>\$ 528</u> | <u>Potential Grant</u> |

| | |
|---------------|--|
| <u>\$ 542</u> | <u>MAP for AU of Two (includes two citizen children)</u> |
|---------------|--|

| | |
|---------------|---|
| <u>\$ 528</u> | <u>Aid Payment is the Lesser of the Potential Grant or MAP for the AU</u> |
|---------------|---|

~~(QR) Example 3: Family with Ineligible Non-Citizen AU Members and Stepparent with Income and Excluded Dependents~~

~~Recipient mother receives aid for herself and one child. The mother has earnings of \$600 per month that is reasonably anticipated to continue at the same amount during the QR Payment Quarter. Also living in the home are: 1) the ineligible non-citizen spouse of the aided parent; 2) the aided mother's ineligible non-citizen child in common with no deprivation; 3) the aided mother's citizen child in common who has no deprivation; and 4) a separate ineligible non-citizen child of the spouse. The spouse has \$375 per month earned income that is reasonably anticipated to continue at the same level during the QR Payment Quarter. The family is nonexempt and lives in Region 1.~~

Eligibility/Grant Computation

| | | |
|--------|--------------|---|
| Step 1 | \$ 975 | Family's Monthly Earned Income |
| | <u>— 112</u> | \$112 Income Disregard |
| | \$ 863 | Subtotal |
| | <u>— 431</u> | 50% Earned Income Disregard* |
| | \$ 431 | Net Earned Income |
| | | |
| | \$ 431 | Total Family Net Nonexempt Income* |
| Step 2 | \$972 | Family MAP for Six (All excluded dependents of the stepparent are included, regardless of deprivation since the stepparent's income is used.) |
| | <u>— 431</u> | Total Family Net Nonexempt Income |
| | \$ 541 | Potential Grant |
| Step 3 | \$ 516 | AU MAP for Two |
| | | |
| | \$ 541 | Potential Grant |
| | | |
| | \$ 516 | Aid Payment (lesser of AU MAP or potential grant) |

(SAR) Example 3: Family with Ineligible Non-Citizen AU Members and Stepparent with Income and Excluded Dependents

Recipient mother receives aid for herself and one child. The mother has earnings of \$600 per month that is reasonably anticipated to continue at the same amount during the SAR Payment Period. Also living in the home are: 1) the ineligible non-citizen spouse of the aided parent; 2) the aided mother's ineligible non-citizen child in common with no deprivation; 3) the aided mother's citizen child in common who has no deprivation; and 4) a separate ineligible non-citizen child of the spouse. The spouse has \$375 per month earned income that is reasonably anticipated to continue at the same level during the SAR Payment Period. The family is nonexempt and lives in Region 1.

Eligibility/Grant Computation

| | | |
|--------|------------------|---------------------------------------|
| Step 1 | \$ 975 | Family's Monthly Earned Income |
| | <u>- 112 225</u> | \$112 225 Income Unused DBI Disregard |
| | \$ 863 750 | Subtotal |
| | <u>- 431 375</u> | 50% Earned Income Disregard* |
| | \$ 431 375 | Net Earned Income |
| | | |
| | \$ 431 375 | Total Family Net Nonexempt Income* |

| | | |
|--------|-------------------------------|---|
| Step 2 | \$ 972 <u>1021</u> | Family MAP for Six (All excluded dependents of the stepparent are included, regardless of deprivation since the stepparent's income is used.) |
| | - 431 <u>375</u> | Total Family Net Nonexempt Income |
| | \$ 541 <u>646</u> | Potential Grant |

| | | |
|--------|------------------------------|---|
| Step 3 | \$ 516 <u>542</u> | AU MAP for Two |
| | \$ 541 <u>646</u> | Potential Grant |
| | \$ 516 <u>542</u> | Aid Payment (lesser of AU MAP or potential grant) |

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

(ARCO) Example 3: Family with Ineligible Non-citizen AU Members and Stepparent with Income and Excluded Dependents

Timed out mother receives aid for her two children. The mother has earnings of \$600 per month that is reasonably anticipated to continue at the same amount during the AR/CO Payment Period. Also living in the home are: 1) the ineligible non-citizen spouse of the unaided parent; 2) the unaided mother's ineligible non-citizen child in common with no deprivation; 3) the unaided mother's citizen child in common who has no deprivation; and 4) a separate ineligible non-citizen child of the spouse. The spouse has \$375 per month earned income that is reasonably anticipated to continue at the same level during the AR/CO Payment Period. The family is nonexempt and lives in Region 1.

Eligibility Grant Computation

| | | |
|--------|---------------|---|
| Step 1 | \$ <u>975</u> | <u>Family's Monthly Earned Income</u> |
| | - <u>225</u> | <u>\$225 Unused DBI Disregard</u> |
| | \$ <u>750</u> | <u>Subtotal</u> |
| | - <u>375</u> | <u>50% Earned Income Disregard*</u> |
| | \$ <u>375</u> | <u>Net Earned Income</u> |
| | \$ <u>375</u> | <u>Total Family Net Nonexempt Income*</u> |

| | |
|-----------------------|--|
| <u>Step 2</u> \$ 1021 | <u>Family MAP for Six (All excluded dependents of the stepparent are included, regardless of deprivation since the stepparent's income is used.)</u> |
| - 375 | <u>Total Family Net Nonexempt Income</u> |
| <u>\$ 646</u> | <u>Potential Grant</u> |
| <u>Step 3</u> \$542 | <u>AU MAP for Two</u> |
| <u>\$646</u> | <u>Potential Grant</u> |
| <u>\$542</u> | <u>Aid Payment (lesser of AU MAP or potential grant)</u> |
| | <u>*50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34</u> |

HANDBOOK ENDS HERE

.55 (Continued)

Authority cited: Sections 10553, 10554, 10604, and 11369, Welfare and Institutions Code; SB 72 (Chapter 8, Statutes of 2011), Section 42.

Reference: Sections 10063, 10553, 10554, 10604, 11008.14, 11017, 11254, 11320.15, 11450, 11450.025, 11451.5, 11452, 11453, 11454, 11454.2, 11486, 18937, 18940, and 11371, Welfare and Institutions Code; 45 CFR 205.50(a)(1)(i)(A); 45 CFR 233.20(a)(1)(i); 45 CFR 233.20(a)(3)(ii)(C), (a)(3)(vi)(B), (a)(3)(xiv), (a)(3)(xiv)(B), and (xviii); 45 CFR 233.50(A)(c); and 45 CFR 233.90(c)(2)(i); Family Support Administration Action Transmittal 91-15 (FSA-AT-91-15), dated April 23, 1991; and Omnibus Budget Reconciliation Act (OBRA) of 1990; U.S. Department of Health and Human Services Federal Action Transmittal No. FSA-AT-91-4 dated February 25, 1991; Simpson v. Hegstrom, 873 F.2d 1294 (1989); Ortega v. Anderson, Case No. 746632-0 (Alameda Superior Court) July 11, 1995; and Federal Register, Vol. 58, No. 182, pages 49218 - 20, dated September 22, 1993; 8 U.S.C. 1631; and 42 U.S.C. 602(a)(39).

Amend Section 44-205 to read:

44-205 ESTABLISHING THE AU

44-205

.1 Aid Based on Pregnancy (Continued)

.12 The application for aid based on pregnancy and/or the application for the pregnancy special need is considered an application for the "family". In addition to the pregnant woman, the family includes the following: (Continued)

.122 The father of the unborn when he is in the home at the time application is made and through the month of birth. See Section 82-832.13.

(a) ~~Section 44-205.122(a)(QR) shall become inoperative and Section 44-205.122(a)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The unaided father shall be added to the AU effective the first of the month following the month in which the birth was reported if adding him results in an increase to cash aid and all conditions of eligibility have been met and verification has been provided. If adding him results in a decrease, the father shall be added to the AU in the following quarter, if all conditions of eligibility have been met and verification provided, pursuant to Section 44-318.16(QR).~~

(SAR) The unaided father shall be added to the AU effective the first of the month following the month in which the birth was reported if adding him results in an increase to cash aid and all conditions of eligibility have been met and verification has been provided. If adding him results in a decrease, the father shall be added to the AU in the following SAR Payment Period, if all conditions of eligibility have been met and verification provided, pursuant to Section 44-318.16(SAR).

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: 42 USC 602(a)(19)(G)(i)(I); 54 FR 42172 (October 13, 1989); 45 CFR 206.10(a)(1)(vii) and 250.34(c)(3); Federal Action Transmittal SSA-AT-86-01, Sections 10553, 10554, 10604, 11265.1, 11265.2, 11265.3, 11327.5(c)(3), 11450(b) and 11450.5, Welfare and Institutions Code; and Simon v. McMahan, Stipulation for Dismissal and Order, April 21, 1989, Contra Costa Superior Court, No. 272468.

Amend Section 44-207 to read:

44-207 INCOME ELIGIBILITY

44-207

.1 The following financial eligibility test shall be applied to applicant cases.

.11 An applicant family shall not be eligible for cash aid unless the family's income, exclusive of the first ninety dollars (\$90) of earned income for each employed person, is less than the Minimum Basic Standard of Adequate Care (MBSAC) for the family.

.111 An individual who applies for CalWORKs after leaving aid due to AB 98 subsidized employment income as described in Sections 42-716.811(a) and 42 716.813(a) shall be considered a current recipient for the purpose of determining CalWORKs financial eligibility. (Continued)

(b) If an individual applies for CalWORKs after this three-month period has passed, he or she shall be considered an applicant for the purpose of determining CalWORKs financial eligibility as described in Section 44 207.11.

HANDBOOK BEGINS HERE

(SAR) Example: Applicant applies for assistance for herself and her one dependent child. The mother (applicant) works part-time for \$600 per month. The family is nonexempt and lives in Region 2.

Applicant Eligibility Determination

| | |
|------------------------------|---|
| \$ 600 | Earned Income |
| - 90 | \$90 Earned Income Disregard |
| \$ 510 | Total Net Nonexempt Income |
| \$ 896 <u>920</u> | MBSAC for two |
| | Family passes the MBSAC test (MBSAC is greater than Net Nonexempt Income) |

(ARCO) Example: Timed out applicant applies for assistance for her two dependent children. The mother (applicant) works part-time for \$600 per month. The family is nonexempt and lives in Region 2.

Applicant Eligibility Determination

| | |
|---------------|-------------------------------------|
| \$ <u>600</u> | <u>Earned Income</u> |
| - <u>90</u> | <u>\$90 Earned Income Disregard</u> |
| \$ <u>510</u> | <u>Total Net Nonexempt Income</u> |

\$ 920

MBSAC for two

Family passes the MBSAC test (MBSAC is greater than Net Nonexempt Income)

See Section 44-207.2 for second step in the financial eligibility test for applicants.

HANDBOOK ENDS HERE

.112 (Continued)

.2 The following financial eligibility test shall be applied to both applicant and recipient cases.

~~.21 Section 44-207.21(QR) et seq. shall become inoperative and Section 44-207.21(SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The AU is financially eligible as follows:~~

~~(QR) .211 An AU is financially eligible for the QR Payment Quarter if the family's combined reasonably anticipated monthly net non-exempt income for the quarter, after the income and needs of the family are considered (pursuant to Sections 44-133(QR) and 44-315.3(QR)), is less than the MAP for the AU.~~

~~(QR) .212 A recipient AU will remain financially eligible during the QR Payment Quarter if the family's combined monthly net non-exempt income does not exceed the family's MAP level for more than one month of the QR Payment Quarter in accordance with Section 44-316.324(QR).~~

~~(SAR) The AU is financially eligible as follows:~~

~~(SAR) .211 An AU is financially eligible for the SAR Payment Period if the family's combined reasonably anticipated monthly net non-exempt income for the SAR Payment ~~p~~Period, after the income and needs of the family are considered (pursuant to Sections 44-133(SAR) and 44-315.3(SAR)), is less than the MAP for the AU.~~

(AR/CO) .211 An AU is financially eligible for the AR/CO Payment Period if the family's combined reasonably anticipated monthly net non-exempt income for the AR/CO Payment Period, after the income and needs of the family are considered (pursuant to Sections 44-133 and 44-315.3) is less than the MAP for the AU.

(SAR) .212 A recipient AU will remain financially eligible during the SAR Payment Period if the family's combined monthly net non-exempt income does not exceed the family's MAP level for more than one month of the SAR Payment Period in accordance with Section 44-316.324(SAR).

(ARCO) .212 A recipient AU will remain financially eligible during the AR/CO Payment Period if the family's combined monthly net non-exempt income does not exceed the family's MAP level for more than one month of the AR/CO Payment Period in accordance with Section 44-316.324.

HANDBOOK BEGINS HERE

(SAR) Example:

Recipient receives aid for herself and her four children. Also living in the home is the recipient's spouse (unaided stepparent). Stepparent earns \$1612 per month from full-time employment. Mother receives \$300 per month in State Disability Insurance benefits. No other income is received by family members. The AU is exempt and resides in Region 2.

Eligibility/Grant Computation:

| | |
|--------------------|---|
| \$ 300 | Disability-Based Unearned Income |
| - 225 | \$225 Income DBI Disregard |
| \$ 75 | Net Nonexempt Disability-Based Unearned Income |
| | |
| \$1612 | Gross Family Earned Income |
| - 806 | 50% Earned Income Disregard |
| \$ 806 | Net Nonexempt Earnings <u>Income</u> |
| + 75 | Disability-Based Unearned Income |
| \$ 881 | Total Net Nonexempt Income |
| | |
| \$1035 <u>1087</u> | Exempt MAP for Six |
| - 881 | Total Net Nonexempt Income |
| \$ 154 <u>206</u> | Potential Grant |
| | |
| \$ 923 <u>969</u> | Exempt MAP for AU of Five |
| \$ 154 <u>206</u> | Potential Grant |
| \$ 154 <u>206</u> | Aid Payment (Lower of Potential Grant and MAP for AU) |

(ARCO) Example:

Timed out recipient mother receives aid for her five children. Also living in the home is the recipient's spouse (unaided stepparent). Stepparent earns \$1612 per month from full-time employment. Mother receives \$300 per month in State

Disability Insurance benefits. No other income is received by family members. The AU is exempt and resides in Region 2.

Eligibility/Grant Computation:

| | |
|---------------|--|
| <u>\$ 300</u> | <u>Disability-Based Unearned Income</u> |
| <u>- 225</u> | <u>\$225 DBI Disregard</u> |
| <u>\$ 75</u> | <u>Net Nonexempt Disability-Based Unearned Income</u> |
| | |
| <u>\$1612</u> | <u>Gross Family Earned Income</u> |
| <u>- 806</u> | <u>50% Earned Income Disregard</u> |
| <u>\$ 806</u> | <u>Net Nonexempt Earnings</u> |
| <u>+ 75</u> | <u>Disability-Based Unearned Income</u> |
| <u>\$ 881</u> | <u>Total Net Nonexempt Income</u> |
| | |
| <u>\$1087</u> | <u>Exempt MAP for Six</u> |
| <u>- 881</u> | <u>Total Net Nonexempt Income</u> |
| <u>\$ 206</u> | <u>Potential Grant</u> |
| | |
| <u>\$ 969</u> | <u>Exempt MAP for AU of Five</u> |
| <u>\$ 206</u> | <u>Potential Grant</u> |
| <u>\$ 206</u> | <u>Aid Payment (Lower of Potential Grant and MAP for AU)</u> |

HANDBOOK ENDS HERE

.22 (Continued)

.23 ~~Section 44-207.23(QR) shall become inoperative and Section 44-207.23(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Once financial eligibility is established for the QR Payment Quarter, financial eligibility continues for the AU for the entire QR Payment Quarter unless the family's income exceeds the IRT (see Section 44-316.324(QR)) and the family's reasonably anticipated monthly income for the remainder of the QR Payment Quarter exceeds the MAP for the AU.~~

(SAR) Once financial eligibility is established for the SAR Payment Period, financial eligibility continues for the AU for the entire SAR Payment Period unless the family's income exceeds the IRT (see Section 44-316.324(SAR)) and the family's reasonably anticipated, net non-exempt monthly income continues to exceed the MAP for the AU for more than one consecutive month.

(ARCO) Once financial eligibility is established for the AR/CO Payment Period, financial eligibility continues for the AU for the entire AR/CO Payment Period unless the family's income exceeds the IRT (see Section 44-316.324) and the family's

reasonably anticipated, net non-exempt monthly income continues to exceed the MAP for the AU for more than one consecutive month.

.24 ~~Section 44-207.24(QR) shall become inoperative and Section 44-207.24(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) If aid is discontinued because the monthly reasonably anticipated income is expected to result in financial ineligibility for the QR Payment Quarter and the AU reports that the monthly reasonably anticipated income will no longer exceed the MAP amount for the AU prior to the effective date of the discontinuance, the county shall rescind the discontinuance if the county determines the updated report is a reasonable estimate.~~

(SAR) If aid is discontinued because the monthly reasonably anticipated income is expected to result in financial ineligibility for the SAR Payment Period and the AU reports that the monthly reasonably anticipated income will no longer exceed the MAP amount for the AU prior to the effective date of the discontinuance, the county shall rescind the discontinuance if the county determines the updated report is a reasonable estimate.

(ARCO) If aid is discontinued because the monthly reasonably anticipated income is expected to result in financial ineligibility for the AR/CO Payment Period and the AU reports that the monthly reasonably anticipated income will no longer exceed the MAP amount for the AU prior to the effective date of the discontinuance, the county shall rescind the discontinuance if the county determines the updated report is a reasonable estimate.

.25 (Continued)

Authority cited: Sections 10553, 10554, 11450, 11450.025, and 11453, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11017, 11157, 11255, 11265.1, 11265.2, 11265.3, 11280, 11322.63(b), 11450.025, 11450.5, 11450.12, 11450.13, and 11451.5, Welfare and Institutions Code; 45 CFR 206.10(a)(1)(vii); 45 CFR 233.20(a)(2)(i) and (xiii); (a)(3)(ii)(F), (a)(3)(vi)(B), (a)(3)(xiv), and (a)(3)(xiv)(B); and Darces v. Woods (1984) 35 Cal. 3d 871; Petrin v. Carlson Court Order, Case No. 638381, May 12, 1993; Rutan v. McMahan, Case No. 612542-L (Alameda Superior Court) February 19, 1988; Letter from Department of Health and Human Services (DHSS), December 5, 1990; Johnson v. Carlson Stipulated Judgment; Ortega v. Anderson, Case No. 746632-0 (Alameda Superior Court) July 11, 1995; Federal Terms and Conditions for the California Assistance Payments Demonstration Project as approved by the United States Department of Health and Human Services on October 30, 1992; Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994; United States Department of Health and Human Services, Office of Family Assistance, Aid to Families with Dependent Children Action Transmittal No. ACF-AT-95-10 dated September 19, 1995; and Letters from the Department of Health and Human Services, Administration for Children and Families, dated February 29, 1996, March 11, 1996, and March 12, 1996.

Amend Section 44-211 to read:

44-211 SPECIAL NEEDS IN CALWORKS

44-211

.1 General

~~.11 Section 44-211.11(QR) shall become inoperative and Section 44-211.11(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) A special need is a need not common to a majority of recipients for certain goods or services which are essential for their support. The county is responsible for assisting the applicant or recipient in identifying any special needs which he/she may have. In order to meet this responsibility, the county shall give the applicant or recipient a clear explanation of the types of special need allowances which are available, and of the procedure for securing payment for those needs. See Section 44-316.312(d)(QR).~~

~~(SAR) A special need is a need not common to a majority of recipients for certain goods or services which are essential for their support. The county is responsible for assisting the applicant or recipient in identifying any special needs which he/she may have. In order to meet this responsibility, the county shall give the applicant or recipient a clear explanation of the types of special need allowances which are available, and of the procedure for securing payment for those needs. See Section 44-316.312(d) (SAR).~~

(AR/CO) A special need is a need not common to a majority of recipients for certain goods or services which are essential for their support. The county is responsible for assisting the applicant or recipient in identifying any special needs which he/she may have. In order to meet this responsibility, the county shall give the applicant or recipient a clear explanation of the types of special need allowances which are available, and of the procedure for securing payment for those needs. See Section 44-316.312(d) (AR/CO).

.12 (Continued)

.2 Recurring Special Needs

~~Section 44-211.2(QR) shall become inoperative and Section 44-211.2(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) A recurring special need is a special need for one of the items set forth below which results in added cost to the family and which is expected to occur during two or more months in a calendar year.~~

- ~~(QR) The allowance for a recurring special need cannot exceed the actual increase in costs to the family as a result of the special need. Actual costs must be verified quarterly on the QR 7 except that if special need allowance guidelines established below are utilized, the county may authorize payment at the rate indicated without verification of actual cost. However, the special need must be resubstantiated at least annually upon redetermination of eligibility and may be required more often considering the type of need and potential for change.~~
- ~~(QR) The total allowance which is available for each AU per month for all recurring special needs shall not exceed the amount resulting from multiplying \$10 by the number of persons in the AU.~~
- (SAR) A recurring special need is a special need for one of the items set forth below which results in added cost to the family and which is expected to occur during two or more months in a calendar year.
- (SAR) The allowance for a recurring special need cannot exceed the actual increase in costs to the family as a result of the special need. Actual costs must be verified every six months on the SAR 7 or the SAWS 2 except that if special need allowance guidelines established below are utilized, the county may authorize payment at the rate indicated without verification of actual cost. However, the special need must be resubstantiated at least annually upon redetermination of eligibility and may be required more often considering the type of need and potential for change.
- (SAR) The total allowance which is available for each AU per month for all recurring special needs shall not exceed the amount resulting from multiplying \$10 by the number of persons in the AU.
- (ARCO) A recurring special need is a special need for one of the items set forth below which results in added cost to the family and which is expected to occur during two or more months in a calendar year.
- (ARCO) The allowance for a recurring special need cannot exceed the actual increase in costs to the family as a result of the special need. Actual costs must be verified at redetermination on the SAWS 2 except that if special need allowance guidelines established below are utilized, the county may authorize payment at the rate indicated without verification of actual cost. However, the special need may be resubstantiated more often considering the type of need and potential for change.
- (ARCO) The total allowance which is available for each AU per month for all recurring special needs shall not exceed the amount resulting from multiplying \$10 by the number of persons in the AU.

.6 Pregnancy Special Needs (Continued)

.63 Eligible Applicants

~~.631 Section 44-211.631(QR) shall become inoperative and Section 44-211.631(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) A pregnant woman with no eligible children who has applied for CalWORKs, is in her third trimester, and is eligible to receive CalWORKs shall be entitled to receive the pregnancy special need payment from the date of application through the end of the quarter in which the child is expected to be born once required verification has been provided. If the birth of the child is voluntarily reported mid-quarter, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the newborn is added into the AU (see Sections 44-316.312(d)(QR) and 44-318.15(QR)).~~

~~(SAR) A pregnant woman with no eligible children who has applied for CalWORKs, is in her third trimester, and is eligible to receive CalWORKs shall be entitled to receive the pregnancy special need payment from the date of application through the end of the semi-annual period in which the child is expected to be born once required verification has been provided. If the birth of the child is voluntarily reported mid-period, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the newborn is added into the AU (see Sections 44-316.312(d)(SAR) and 44-318.15(SAR)).~~

~~.632 Section 44-211.632(QR) shall become inoperative and Section 44-211.632(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) A pregnant teen with no other eligible children in an AU of one who is under the age of 19, has not obtained a high school diploma or its equivalent and is otherwise eligible to receive CalWORKs, shall receive the pregnancy special need payment from the date of application through the end of the quarter in which the child is expected to be born once required verification has been provided. If the birth of the child is voluntarily reported mid-quarter, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the newborn is added into the AU (see Section 44-316.312(QR) and 44-318.15(QR)).~~

(SAR) A pregnant teen with no other eligible children in an AU of one who is under the age of 19, has not obtained a high school diploma or its equivalent and is otherwise eligible to receive CalWORKs, shall receive the pregnancy special need payment from the date of application through the end of the semi-annual period in which the child is expected to be born once required verification has been provided. If the birth of the child is voluntarily reported mid-period, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the newborn is added into the AU (see Section 44-316.312(d)(SAR) and 44-318.15 (SAR)).

~~.633 Section 44-211.633(QR) shall become inoperative and Section 44-211.633(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) A pregnant woman who has applied for CalWORKs as part of an AU with other eligible persons or was the caretaker of a person in accordance with Section 82-820.22 and who is eligible shall be entitled to receive the pregnancy special need payment from the date of application through the end of the quarter in which the child is expected to be born once required verification has been provided. If the birth of the child is voluntarily reported mid-quarter, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the newborn is added into the AU (see Section 44-316.31(QR) and 44-318.15(QR)).~~

(SAR) A pregnant woman who has applied for CalWORKs as part of an AU with other eligible persons or was the caretaker of a person in accordance with Section 82-820.22 and who is eligible shall be entitled to receive the pregnancy special need payment from the date of application through the end of the semi-annual period in which the child is expected to be born once required verification has been provided. If the birth of the child is voluntarily reported mid-period, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the newborn is added into the AU (see Section 44-316.312(d)(SAR) and 44-318.15 (SAR)).

(ARCO) A pregnant mother who has applied for CalWORKs as part of an AU with other eligible persons or was the caretaker of a person in accordance with Section 82-820.22 and who is eligible shall be entitled to receive the pregnancy special need payment from the date of application through the end of the AR/CO Payment Period in which the child is expected to be born once required verification has been provided. When the birth of the child is reported mid-period, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the

newborn is added into the AU (see Section 44-316.312(d)(AR/CO) and 44-318.15 (AR/CO)).

.64 Eligible Recipients

~~.641 Section 44-211.641(QR) shall become inoperative and Section 44-211.641(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The pregnancy special need payment for a pregnant woman who is receiving CalWORKs in an AU with eligible persons shall be granted from the month of the request continuing through the end of the quarter in which the child is expected to be born or the end of the month prior to the newborn being added to the AU, pursuant to Section 44-318.15(QR), once required verification has been provided.~~

(SAR) The pregnancy special need payment for a pregnant woman who is receiving CalWORKs in an AU with eligible persons shall be granted from the month of the request continuing through the end of the semi-annual period in which the child is expected to be born or the end of the month prior to the newborn being added to the AU, pursuant to Section 44-318.15(SAR), once required verification has been provided.

(ARCO) The pregnancy special need payment for a pregnant teen mother who is receiving CalWORKs in an AU with eligible persons shall be granted from the month of the request continuing through the end of the AR/CO Payment Period in which the child is expected to be born or the end of the month prior to the newborn being added to the AU, pursuant to Section 44-318.15(AR/CO), once required verification has been provided.

.642 (Continued)

Authority cited: Sections 10553, 10554, 10604, 11209, and 11450(f) and (g), Welfare and Institutions Code.

Reference: Sections 11056, 11155.2(a), 11265.1, 11265.2, 11265.3, 11266(a)(2), 11271, 11272, 11273, and 11273(b), 11450(a)(1), (b), (c), and (f), 11450(f)(2)(A)(i), 11450(f)(2)(B), 11450(f)(2)(C), 11450(f)(2)(E)(i), (ii), (iii), (v), and (vi), 11450.5, 11452.018(a), and 11453.2, Welfare and Institutions Code; 45 CFR 206.10(a)(1)(ii), 45 CFR 206.10(a)(8), 45 CFR 233.10(a)(1)(iv), 45 CFR 233.20(a)(2)(v)(A), 45 CFR 234.11, 45 CFR 234.60; and 42 U.S.C.A., Section 606(b).

Amend Section 44-304 to read:

44-304 AID PAYMENT SCHEDULES (Continued)

44-304

.5 Standard Delivery Dates

.51 Semimonthly Delivery

The county shall deliver ongoing payments as follows when the county has selected semimonthly delivery:

.511 First Warrant

~~Section 44-304.511(QR) shall become inoperative and Section 44-304.511(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) First Warrant~~

~~The county shall place the first warrant in the mail or forward the first direct deposit electronic fund transfer in time to be available to the recipient by the first day of each month of the QR Payment Quarter unless the county received the completed QR 7 after the tenth day prior to the end of the QR Submit Month.~~

~~(QR)~~

~~If the completed QR 7 is received after the tenth day prior to the end of the QR Submit Month, but on or before the first day of the next QR Payment Quarter, the county shall not delay the payment and shall place the warrant in the mail or forward the first direct deposit electronic fund transfer in time to be available to the recipient by the first calendar day of the first month of the next QR Payment Quarter if possible, but no later than the tenth calendar day of the first month of the next QR Payment Quarter.~~

(SAR) First Warrant

The county shall place the first warrant in the mail or forward the first direct deposit electronic fund transfer in time to be available to the recipient by the first day of each month of the SAR Payment Period unless the county received the completed SAR 7 after the tenth day prior to the end of the SAR Submit Month or if the annual redetermination is not completed by the 15th day of the month in which it is due.

(SAR) If the completed SAR 7 is received after the tenth day prior to the end of the SAR Submit Month, but on or before the first day of the next SAR Payment Period, the county shall not delay the payment and shall place the warrant in the mail or forward the first direct deposit electronic fund transfer in time to be available to the recipient by the first calendar day of the first month of the next SAR Payment Period if possible, but no later than the tenth calendar day of the first month of the next SAR Payment Period.

(SAR) If the annual redetermination is not completed by the 15th day of the month in which it is due, but on or before the last day of that month, the county shall not delay the payment and shall place the warrant in the mail or forward the first direct deposit electronic fund transfer in time to be available to the recipient by the first calendar day of the first month of the next SAR Payment Period if possible, but no later than the tenth calendar day of the first month of the next SAR Payment Period.

(AR/CO) First Warrant The county shall place the first warrant in the mail or forward the first direct deposit electronic fund transfer in time to be available to the recipient by the first day of each month of the AR/CO Payment Period unless the annual redetermination is not completed by the 15th day of the month in which it is due.

(AR/CO) If the annual redetermination is not completed by the 15th day of the month in which it is due, but on or before the last day of that month, the county shall not delay the payment and shall place the warrant in the mail or forward the first direct deposit electronic fund transfer in time to be available to the recipient by the first calendar day of the first month of the next AR/CO Payment Period if possible, but no later than the tenth calendar day of the first month of the next AR/CO Payment Period.

.512 Second Warrant ~~Section 44-304.512(QR) shall become inoperative and Section 44-304.512(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR)~~ The county shall place the second warrant in the mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by no later than the 15th calendar day of each month of the QR Payment Quarter.

(SAR) The county shall place the second warrant in the mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by no later than the 15th calendar day of each month of the SAR Payment Period.

(ARCO) The county shall place the second warrant in the mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by no later than the 15th calendar day of each month of the AR/CO Payment Period.

.52 Monthly Delivery

~~Section 44-304.52(QR) shall become inoperative and Section 44-304.52(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR)~~ The county shall place the warrant in the mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by the first calendar day of each month of the QR Payment Quarter unless the completed QR 7 is received after the tenth day prior to the end of the QR Submit Month.

~~(QR)~~ If the completed QR 7 is received after the tenth day prior to the end of the QR Submit Month, but on or before the first day of the next QR Payment Quarter, the county shall not delay the payment and shall place the warrant in the mail or forward the direct deposit electronic fund transfer in time to be received by the first day of the first month of the next QR Payment Quarter if possible, but not later than the tenth day of the first month of the next QR Payment Quarter.

(SAR) The county shall place the warrant in the mail or forward the direct deposit electronic fund transfer in

time to be available to the recipient by the first calendar day of each month of the SAR Payment Period unless the completed SAR 7 is received after the tenth day prior to the end of the QR Submit Month or if the annual redetermination is not completed by the 15th day of the month in which it is due.

(SAR)

If the completed SAR 7 is received after the tenth day prior to the end of the SAR Submit Month, but on or before the first day of the next SAR Payment Period, the county shall not delay the payment and shall place the warrant in the mail or forward the direct deposit electronic fund transfer in time to be received by the first day of the first month of the next SAR Payment Period if possible, but not later than the tenth day of the first month of the next SAR Payment Period.

(SAR)

If the annual redetermination is not completed by the 15th day of the month in which it is due, but on or before the last day of that month, the county shall not delay the payment and shall place the warrant in the mail or forward the first direct deposit electronic fund transfer in time to be available to the recipient by the first calendar day of the first month of the next SAR Payment Period if possible, but no later than the tenth calendar day of the first month of the next SAR Payment Period.

(AR/CO)

The county shall place the warrant in the mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by the first calendar day of the AR/CO Payment Period unless the annual redetermination is not completed by the 15th day of the month in which it is due.

(AR/CO)

If the annual redetermination is not completed by the 15th day of the month in which it is due, but on or before the last day of that month, the county shall not delay the payment and shall place the warrant in the mail or forward the first direct deposit electronic fund transfer in time to be available to the recipient by the first calendar day of the first month of the next AR/CO Payment Period if possible, but no

later than the tenth calendar day of the first month of the next AR/CO Payment Period.

.53

(Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10063(a), 10072, 10553, 10554, 11006.2, 11251.3, 11265.1, 11453.2, 11455 and 17012.5, Welfare and Institutions Code; 45 CFR 206.10(a)(6)(D); 45 CFR 233.23; 45 CFR 233.29(a)-(d); 45 CFR 233.31(b)(4); 45 CFR 233.32; and Balderas v. Woods Court Order; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 44-305 to read:

44-305 AID PAYMENTS – PAYEE AND DELIVERY (Continued)

44-305

.2 Alternate Payment System (Continued)

.23 Aid payments to CalWORKs families residing in counties with approved semimonthly alternate payment systems shall be made in two installments during the payment period as follows:

~~.231 Section 44-305.231(QR) shall become inoperative and Section 44-305.231(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The county shall issue the first aid payment by mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by the first day of each month of the assigned QR Payment Quarter, unless the county received the completed QR 7 after the tenth day prior to the end of the assigned QR Submit Month. If the QR 7 is received after the tenth day prior to the end of the assigned QR Submit Month, but on or before the first day of the next assigned QR Payment Quarter, the county shall not delay the payment and shall issue the first aid payment in time to be available to the recipient by the first day of the next assigned QR Payment Quarter if possible, but not later than the tenth day of the first month of the next assigned QR Payment Quarter.~~

(SAR) The county shall issue the first aid payment by mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by the first day of each month of the assigned SAR Payment Period, unless the county received the completed SAR 7 after the tenth day prior to the end of the assigned SAR Submit Month or the annual redetermination is not completed by the 15th day of the SAR Submit Month. If the SAR 7 is received after the tenth day prior to the end of the assigned SAR Submit Month or the annual redetermination is completed after the 15th day of the SAR Submit Month, but before benefits are discontinued, the county shall not delay the payment and shall issue the first aid payment in time to be available to the recipient by the first day of the next assigned SAR Payment Period if possible, but not later than the tenth day of the first month of the next assigned SAR Payment Period.

(AR/CO) The county shall issue the first aid payment by mail or forward the direct deposit electronic fund transfer in time to be available to the recipient by the first day of each month of the assigned AR/CO Payment Period, unless the annual redetermination is not completed by the 15th day of the AR/CO

Submit Month. If the annual redetermination is completed after the 15th day of the AR/CO Submit Month, but before benefits are discontinued, the county shall not delay the payment and shall issue the first aid payment in time to be available to the recipient by the first day of the next assigned AR/CO Payment Period if possible, but not later than the tenth day of the first month of the next assigned AR/CO Payment Period.

.232 (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10063(a), 11006.2, 11254, Welfare and Institutions Code; 45 CFR 233.29, 45 CFR 233.31(b)(4) and 45 CFR 233.32; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12 (a)(1)(vii)].

Amend Section 44-313 to read:

44-313 BUDGETING METHODS FOR CalWORKs

44-313

~~Section 44-313(QR), Introductory Paragraphs, shall become inoperative and Section 44-313(SAR), Introductory Paragraphs, shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Budgeting is the activity used to compute the aid payments for a QR Payment Quarter for which eligibility exists using net nonexempt income, (see Chapter 44-100) that is reasonably anticipated to be received in the QR Payment Quarter. The budgeting method used is prospective budgeting.~~

~~(QR) Budgeting is an activity separate from the determination of eligibility. All eligibility factors, including income eligibility (see Section 44-207 and 44-316.324(QR)), are considered on a prospective basis.~~

(SAR) Budgeting is the activity used to compute the aid payments for a SAR Payment Period for which eligibility exists using net nonexempt income, (see Chapter 44-100) that is reasonably anticipated to be received in the SAR Payment Period. The budgeting method used is prospective budgeting.

(AR/CO) Budgeting is the activity used to compute the aid payments for an AR/CO Payment Period for which eligibility exists using net nonexempt income, (see Chapter 44-100) that is reasonably anticipated to be received in the AR/CO Payment Period. The budgeting method used is prospective budgeting.

(SAR) Budgeting is an activity separate from the determination of eligibility. All eligibility factors, including income eligibility (see Section 44-207 and 44-316.324(SAR)), are considered on a prospective basis.

.1 Prospective Budgeting

~~.11 Section 44-313.11(QR) shall become inoperative and Section 44-313.11(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Prospective budgeting is the method of computing an aid payment for a QR Payment Quarter using income that is reasonably anticipated to be received in that quarter (see Section 44-315.31(QR)) except for those mid-quarter changes where actual income is used as specified in Section 44-316.311(QR).~~

(SAR) Prospective budgeting is the method of computing an aid payment for a SAR Payment Period using income that is reasonably anticipated to be received in that

period (see Section 44-315.31(SAR)) except for those mid-period changes where actual income is used as specified in Section 44-316.311(SAR).

(AR/CO) Prospective budgeting is the method of computing an aid payment for an AR/CO Payment Period using income that is reasonably anticipated to be received in that period (see Section 44-315.31(AR/CO)) except for those mid-period changes where actual income is used as specified in Section 44-316.311(AR/CO).

~~.111 Section 44-313.111(QR) et seq. shall become inoperative and Section 44-313.111 (SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Income from the QR Data Month, anticipated changes in income from the QR 7 and mid-quarter income changes as specified in Section 44-316 shall be considered when determining eligibility and cash aid for a QR Payment Quarter. Documentation shall be entered in the case that explains how income was projected in determining cash aid calculations. Case narrative entries shall include, but are not limited to, the following:~~

~~(QR) (a) Income the recipient reports that he/she expects to receive in the QR Payment Quarter.~~

~~(QR) (b) Whether reasonably anticipated income will be different than income that the recipient reported receiving for the QR Data Month as reported on the QR 7.~~

~~(QR) (c) Documentation of the reasons for not accepting the recipient's reasonable anticipated income if the information is questionable.~~

~~(QR) (d) Other information used to determine what income will be used in the cash aid calculations (verifications, employers' statements, case history, etc.) if the recipient's reasonable anticipated income is not used.~~

(SAR) Income from the SAR Data Month, anticipated changes in income from the SAR Data Month, and mid-period income changes as specified in Section 44-316(SAR) shall be considered when determining eligibility and cash aid for a SAR Payment Period. Documentation shall be entered in the case that explains how income was projected in determining cash aid calculations. Case narrative entries shall include, but are not limited to, the following:

(SAR) (a) Income the recipient reports that he/she received in the SAR Data Month.

- (SAR) (b) Any changes in income from the Data Month that the recipient reasonably anticipates receiving in the SAR Payment Period as reported on the SAR 7 or annual redetermination.
- (SAR) (c) Documentation of the reasons for not accepting the recipient's reasonably anticipated income if the information is questionable.
- (SAR) (d) Other information used to determine what income will be used in the cash aid calculations (verifications, employers' statements, case history, etc.) if the recipient's reasonably anticipated income is not used.

(AR/CO) Income from the AR/CO Data Month, anticipated changes in income from the AR/CO Data Month, and mid-period income changes as specified in Section 44-316(AR/CO) shall be considered when determining eligibility and cash aid for an AR/CO Payment Period. Documentation shall be entered in the case that explains how income was projected in determining cash aid calculations. Case narrative entries shall include, but are not limited to, the following:

- (AR/CO) (a) Income the recipient reports that he/she received in the AR/CO Data Month.
- (AR/CO) (b) Any changes in income from the Data Month that the recipient reasonably anticipates receiving in the AR/CO Payment Period as reported mid-period or at annual redetermination.
- (AR/CO) (c) Documentation of the reasons for not accepting the recipient's reasonably anticipated income if the information is questionable.
- (AR/CO) (d) Other information used to determine what income will be used in the cash aid calculations (verifications, employers' statements, case history, etc.) if the recipient's reasonably anticipated income is not used.

.12 Prospective budgeting shall be used to compute:

~~.121 Section 44-313.121(QR) shall become inoperative and Section 44-313.121(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The CalWORKs grant for each month in a QR Payment Quarter.~~

(SAR) The CalWORKs grant for each month in a SAR Payment Period.